



## Consolidated Financial Results for the Fiscal Year Ended March 2026 [Japanese GAAP]

May 15, 2026

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 Management, Corporate Strategy, IR Fields  
 Scheduled date of Annual General Shareholders' Meeting June 26, 2026 Scheduled date of commencement of dividend payment June 8, 2026  
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 Preparation of supplementary materials for financial results Yes  
 Financial results briefing held Yes (For institutional investors and analysts)

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

### 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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2026	44,890	17.0	3,303	12.7	3,620	6.8	3,449	△8.8
March 31, 2025	38,353	12.2	2,930	19.3	3,391	17.1	3,782	56.2

(Note) Comprehensive Income March 31, 2026 6,294 Millions of Yen (221.6%) March 31, 2025 1,957 Millions of Yen (△58.7%)

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
March 31, 2026	130.21	-	5.6	4.4	7.4
March 31, 2025	135.78	-	6.3	4.1	7.6

(Reference) Equity in earnings of affiliates March 31, 2026 23 Millions of Yen March 31, 2025 29 Millions of Yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
March 31, 2026	83,082	63,280	75.9	2,397.55
March 31, 2025	82,697	60,019	72.1	2,188.25

(Reference) Owner's Equity March 31, 2026 63,041 Millions of Yen March 31, 2025 59,645 Millions of Yen

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and equivalents, end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2026	1,706	363	△3,144	11,918
March 31, 2025	4,720	△3,299	△2,396	12,824

### 2. Dividends

	Dividend per share					Total dividend paid	Payout ratio (consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Yen Sen	Millions of Yen	%	%
March 31, 2025	-	21.00	-	24.00	45.00	1,240	33.1	2.1
March 31, 2026	-	27.00	-	28.00	55.00	1,446	42.2	2.4
March 31, 2027 (Forecast)	-	27.00	-	28.00	55.00		60.0	

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

(Percentages represent year-on-year changes for the full fiscal year and year-on-year changes for the quarter.)

	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
Second quarter (cumulative)	22,000	0.5	1,700	△6.7	1,900	△1.5	1,240	△12.6	47.16
Full Year	44,000	△2.0	3,300	△0.1	3,600	△0.6	2,410	△30.1	91.66

\* Notes

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

Newly included: - companies (company names), Excluded: - companies (company names)

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

- ① Changes in accounting policies caused by revision of accounting standards: None
- ② Changes in accounting policies other than (i): None
- ③ Changes in accounting estimates: None
- ④ Restatement: None

(3) Number of shares issued (common stock)

① Number of shares issued at end of period (including treasury stock)	March 31, 2026	28,732,800 shares	March 31, 2025	28,732,800 shares
② Number of treasury stock at end of period	March 31, 2026	2,438,867 shares	March 31, 2025	1,475,638 shares
③ Weighted average number of shares during period	March 31, 2026	26,492,943 shares	March 31, 2025	27,855,790 shares

\* This financial results report is not subject to audit by certified public accountants or audit firms

\* Explanations and other special notes concerning the appropriate use of business performance forecasts

(Caution regarding forward-looking statements)

The forward-looking statements such as result forecasts included in this document are based on the information available to the Company at the time of the announcement and on certain assumptions considered reasonable, and the Company makes no representations as to their achievability. Actual results may differ materially from the forecast depending on a range of factors. For conditions underlying the forecasts and precautions for using the forecasts, please refer to "(4) Future Outlook" under "1. Overview of Operating Results" on page 4 of the [Attached Materials].

(How to obtain supplementary materials for financial results)

Supplementary materials on financial results will be posted on our website on May 15, 2026.

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## 1. Overview of Operating Results, etc.

### (1) Operating Results and Overview for the Current Period

During the consolidated fiscal year under review, the global economy became increasingly unstable, affected by fluctuations in interest rates and exchange rates, as well as trends in trade policies across countries and heightened geopolitical risks.

While the domestic economy saw corporate earnings remain solid, particularly in the manufacturing sector, the outlook remains uncertain due to labor market trends and the impact of rising costs.

In this business environment, our Group worked to strengthen its business foundation with a view toward medium- to long-term growth.

We worked to increase production capacity through the stable operation of the Ikoma Plant, which opened in 2024, and the restructuring of the Konoike Plant. We also strengthened our response to customer needs for "energy saving" and "labor saving," and promoted sales expansion and the capture of maintenance demand in the energy, food, and pharmaceutical-related fields.

As a result, orders received by our Group for the consolidated fiscal year increased 0.8% year-on-year to 42,591 million yen, as the Heat Exchanger and Valve businesses performed well, despite a decline in the Process Engineering business due to a reactionary decrease from large-scale projects.

Sales increased 17.0% year-on-year to a record high of 44,890 million yen, as the Heat Exchanger and Valve businesses performed steadily, and the Process Engineering business recorded strong sales from multiple large-scale projects.

As for profit, although fixed costs such as depreciation and personnel expenses increased, operating profit rose 12.7% year-on-year to 3,303 million yen due to increased sales in the Process Engineering business, and ordinary profit increased 6.8% year-on-year to 3,620 million yen.

Profit attributable to owners of parent decreased 8.8% year-on-year to 3,449 million yen, as extraordinary losses including plant restructuring costs and environmental measure-related expenses were recorded, despite recording gains on sale of strategic shareholdings as extraordinary income as in the previous year.

Operating results by segment are as follows.

#### “Heat Exchanger Segment”

The Heat Exchanger business manufactures and sells plate-type heat exchangers and other products that heat and cool fluids, which are essential in various industries.

Orders received increased 2.4% year-on-year to 17,193 million yen. Despite a reactionary decline from strong marine-related orders in the previous year and the impact of restrained capital investment in the chemical industry, domestic maintenance projects performed well, and large-scale projects for overseas CO<sub>2</sub> capture plants and the power sector contributed.

Sales increased 6.7% year-on-year to 17,229 million yen, driven by large-scale overseas LNG-related projects and strong domestic maintenance business.

Segment profit decreased 26.4% year-on-year to 988 million yen, despite increased sales, due to costs related to the restructuring of the Konoike Plant and provisions recorded for sales strategy purposes.

#### “Process Engineering Segment”

The Process Engineering business manufactures and sells cooking sterilization equipment for retort foods, sterilization and culture equipment for pharmaceuticals, and dyeing and finishing equipment for textile products.

Orders received decreased 0.8% year-on-year to 20,000 million yen. Although there were large-scale orders for pharmaceutical culture plants and sterilization equipment, as well as dyeing and finishing equipment for Southeast Asia, there was a reactionary decline in food equipment from large-scale orders received in the previous year, such as aseptic packaged rice production plants.

Sales increased 30.6% year-on-year to 22,405 million yen, due to strong sales from large-scale projects such as aseptic packaged rice production plants and pharmaceutical culture plants, as well as strong sales of fully automatic continuous sterilization and cooling equipment for food that meets "energy saving" and "labor saving" needs.

Segment profit increased 50.2% year-on-year to 2,129 million yen, driven by increased sales, strong maintenance projects, and recording of high-margin projects.

#### “Valve Segment”

The Valve business manufactures and sells ball valves and other products used to control various fluids.

Orders received increased 2.0% year-on-year to 5,324 million yen. Despite the impact of restrained capital investment in the chemical industry, orders for secondary batteries and semiconductors performed well.

Sales increased 4.6% year-on-year to 5,183 million yen. Although sales to the chemical industry decreased as with orders, sales for water and sewage treatment facilities and civil engineering projects performed well.

Segment profit increased 25.3% year-on-year to 366 million yen. Despite the impact of rising raw material prices, increased sales contributed to the growth.

“Segment Performance (Millions of yen / (%) Year-on-year rate of change)”

	Heat Exchanger Segment	Process Engineering Segment	Valve Segment	Other
Orders received	17,193 (+2.4%)	20,000(△0.8%)	5,324 (+2.0%)	72 (△18.3%)
Net sales	17,229 (+6.7%)	22,405 (+30.6%)	5,183 (+4.6%)	72 (△18.3%)
Segment profit	988 (△26.4%)	2,129 (+50.2%)	366 (+25.3%)	52 (△19.4%)

(2) Overview of Financial Position for the Current Period

(Assets)

Total assets at the end of the consolidated fiscal year were 83,082 million yen, an increase of 385 million yen from 82,697 million yen at the end of the previous consolidated fiscal year.

Current assets were 35,832 million yen, a decrease of 2,819 million yen from 38,651 million yen at the end of the previous consolidated fiscal year. The main components were cash and deposits of 12,009 million yen, trade receivables of 11,570 million yen, and inventories of 11,642 million yen. The main factor for the decrease was inventories of 1,745 million yen.

Non-current assets were 47,250 million yen, an increase of 3,205 million yen from 44,045 million yen at the end of the previous consolidated fiscal year. The main components were buildings and structures of 15,209 million yen, land of 6,571 million yen, and investment securities of 14,512 million yen. The main factor for the increase was investment securities of 2,752 million yen.

(Liabilities)

Total liabilities at the end of the consolidated fiscal year were 19,802 million yen, a decrease of 2,875 million yen from 22,677 million yen at the end of the previous consolidated fiscal year.

Current liabilities were 12,363 million yen, a decrease of 2,415 million yen from 14,779 million yen at the end of the previous consolidated fiscal year. The main components were trade payables of 3,770 million yen and contract liabilities of 3,059 million yen. The main factor for the decrease was contract liabilities of 2,781 million yen.

Long-term liabilities were 7,438 million yen, a decrease of 459 million yen from 7,898 million yen at the end of the previous consolidated fiscal year. The main components were bonds of 2,668 million yen and deferred tax liabilities of 3,491 million yen. The main factor for the decrease was bonds of 1,332 million yen.

(Net assets)

Net assets at the end of the consolidated fiscal year were 63,280 million yen, an increase of 3,260 million yen from 60,019 million yen at the end of the previous consolidated fiscal year. The main components were capital stock of 4,150 million yen, capital surplus of 5,224 million yen, retained earnings of 46,454 million yen, and valuation difference on available-for-sale securities of 7,854 million yen. The main factors for the increase were retained earnings of 2,085 million yen and valuation difference on available-for-sale securities of 2,029 million yen.

(3) Overview of Cash Flows for the Current Period

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the consolidated fiscal year decreased 905 million yen from 12,824 million yen at the end of the previous consolidated fiscal year to 11,918 million yen. While there were increasing factors such as income before income taxes of 4,783 million yen and proceeds from sale of investment securities of 1,676 million yen, there were decreasing factors such as payments for acquisition of non-current assets of 2,839 million yen and decrease in contract liabilities of 2,787 million yen.

The status of each cash flow category and the factors behind them for the consolidated fiscal year are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 1,706 million yen.

This was due to income before income taxes and decrease in inventories exceeding the decrease in contract liabilities.

(Cash flows from investing activities)

Net cash provided by investing activities amounted to 363 million yen.

This was because proceeds from sales of investment securities and non-current assets exceeded payments for acquisition of non-current assets.

(Cash flows from financing activities)

Net cash used in financing activities amounted to 3,144 million yen.

This was mainly due to payments of dividends and purchase of treasury stock.

<Reference> Trends in Cash Flow-Related Indicators

	March 31, 2025	March 31, 2026
Equity ratio	72.1%	75.9 %
Equity ratio on a market capitalization base	32.6 %	48.5%
Ratio of cash flow to interest-bearing liabilities	1.1 years	3.0 years
Interest coverage ratio	256.5 times	93.9 times

Equity ratio = Equity capital / Total assets

Shareholders' equity ratio on a market value basis is the total market value of shares issued and outstanding divided by total assets.

Ratio of interest-bearing debt to cash flow = Interest-bearing debt / Cash flow

Interest coverage ratio = Cash flow / Interest payments

\*1. All figures are calculated from consolidated financial values.

\*2. Total market value of shares is calculated based on the number of shares issued excluding treasury stock.

\*3. Cash flow refers to operating cash flow.

\*4. Interest-bearing debt includes all liabilities on the consolidated balance sheet for which the Company is paying interest.

#### (4) Future Outlook

Regarding the future outlook, the global economy is expected to remain uncertain due to prolonged geopolitical risks, as well as uncertainties surrounding interest rate trends, exchange rate fluctuations, and trade policies.

On the other hand, the domestic economy is expected to continue on a moderate recovery trend backed by improvements in employment and income conditions, although rising costs for raw materials, labor, and logistics are expected to continue to impact corporate earnings.

Under these circumstances, the Group has set "Challenge to Climate Change" as its management vision in the new medium-term management plan "Challenge2028" which started in fiscal 2026, and will contribute to solving social issues through its business activities.

In addition, by positioning our response to climate change as an initiative that contributes to solving social issues and by steadily advancing the strengthening of environmentally friendly products and services, the optimization of our business portfolio, and improvements in productivity, we will achieve sustainable growth and enhance corporate value, targeting operating income of ¥5.0 billion in fiscal 2028, the final year.

For details on "Challenge2028," please refer to the disclosure materials published on May 15.

Based on the above, we forecast the following consolidated results for the fiscal year ending March 31, 2027.

The performance forecast has been prepared on the assumption that the situation in the Middle East will not have a significant impact on the Group.

If events that are expected to have a significant impact on the Group's performance are anticipated due to future developments, we will promptly disclose such information.

Consolidated Performance Forecast (April 1, 2026 - March 31, 2027)

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share	(Reference) Orders received
First Half	22,000	1,700	1,900	1,240	¥47.16	21,000
Second Half	22,000	1,600	1,700	1,170	¥44.50	26,000
Full Year	44,000	3,300	3,600	2,410	¥91.66	47,000

(Note) The performance outlook is based on information available as of the date of announcement of this document, and actual results may differ from the forecast figures due to various factors.

## 2. Basic Policy on Selection of Accounting Standards

The Group's policy is to prepare consolidated financial statements in accordance with Japanese GAAP for the time being, taking into consideration the comparability of consolidated financial statements between periods and between companies. Regarding the application of International Financial Reporting Standards (IFRS), our policy is to respond appropriately in consideration of domestic and international circumstances.

### 3. Consolidated Financial Statements and Major Notes

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	12,914	12,009
Notes receivable - trade	470	141
Accounts receivable - trade	8,106	7,639
Electronically recorded monetary claims - operating	3,236	3,930
Merchandise and finished goods	3,488	3,588
Work in process	7,274	5,940
Raw materials and supplies	2,624	2,113
Other	552	483
Allowance for doubtful accounts	(16)	(13)
Total current assets	38,651	35,832
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,109	27,972
Accumulated depreciation	(12,067)	(12,762)
Buildings and structures, net	13,041	15,209
Machinery, equipment and vehicles	12,592	13,405
Accumulated depreciation	(10,390)	(10,839)
Machinery, equipment and vehicles, net	2,201	2,565
Tools, furniture and fixtures	5,318	5,757
Accumulated depreciation	(4,674)	(4,932)
Tools, furniture and fixtures, net	643	824
Land	7,385	6,571
Construction in progress	3,736	1,042
Other	156	175
Accumulated depreciation	(86)	(107)
Other, net	70	68
Total property, plant and equipment	27,077	26,282
Intangible assets		
Software	164	261
Goodwill	35	12
Other	1,110	1,429
Total intangible assets	1,309	1,704
Investments and other assets		
Investment securities	12,387	15,239
Retirement benefit asset	2,307	3,071
Other	962	957
Allowance for doubtful accounts	(0)	(4)
Total investments and other assets	15,657	19,264
Total non-current assets	44,045	47,250
Total assets	82,697	83,082

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,787	3,201
Electronically recorded obligations - operating	1,994	569
Current portion of bonds payable	—	1,332
Current portion of long-term borrowings	—	333
Income taxes payable	1,275	601
Contract liabilities	5,841	3,059
Provision for product warranties	95	121
Provision for loss on orders received	23	356
Provision for bonuses	832	874
Other	1,928	1,914
<b>Total current liabilities</b>	<b>14,779</b>	<b>12,363</b>
Non-current liabilities		
Bonds payable	4,000	2,668
Long-term borrowings	1,000	666
Deferred tax liabilities	2,626	3,491
Provision for environmental measures	—	326
Retirement benefit liability	214	230
Other	57	55
<b>Total non-current liabilities</b>	<b>7,898</b>	<b>7,438</b>
<b>Total liabilities</b>	<b>22,677</b>	<b>19,802</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	4,150	4,150
Capital surplus	5,438	5,224
Retained earnings	44,369	46,454
Treasury shares	(1,321)	(2,627)
<b>Total shareholders' equity</b>	<b>52,635</b>	<b>53,201</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,824	7,854
Deferred gains or losses on hedges	(8)	(29)
Foreign currency translation adjustment	762	1,357
Remeasurements of defined benefit plans	431	657
<b>Total accumulated other comprehensive income</b>	<b>7,009</b>	<b>9,839</b>
Non-controlling interests	374	239
<b>Total net assets</b>	<b>60,019</b>	<b>63,280</b>
<b>Total liabilities and net assets</b>	<b>82,697</b>	<b>83,082</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statement of Income)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	38,353	44,890
Cost of sales	28,579	34,513
Gross profit	9,773	10,377
Selling, general and administrative expenses	6,842	7,073
Operating profit	2,930	3,303
Non-operating income		
Interest income	26	26
Dividend income	422	413
Share of profit of entities accounted for using equity method	29	23
Other	49	49
Total non-operating income	528	513
Non-operating expenses		
Interest expenses	18	18
Loss on sale of notes receivable - trade	1	1
Foreign exchange losses	15	111
Maintenance of inactive non-current asset	30	31
Commission for purchase of treasury shares	1	31
Other	0	1
Total non-operating expenses	68	196
Ordinary profit	3,391	3,620
Extraordinary income		
Gain on sale of non-current assets	3	561
Gain on sale of investment securities	1,565	1,492
Subsidy income	200	—
Total extraordinary income	1,769	2,053
Extraordinary losses		
Loss on sale and retirement of non-current assets	10	15
Plant rebuilding expense	—	447
Environmental measures expenses	—	100
Provision for environmental measures	—	326
Total extraordinary losses	10	890
Profit before income taxes	5,150	4,783
Income taxes - current	1,386	1,310
Income taxes for prior periods	—	164
Income taxes - deferred	(113)	(154)
Total income taxes	1,273	1,320
Profit	3,877	3,463
Profit attributable to non-controlling interests	94	13
Profit attributable to owners of parent	3,782	3,449

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,877	3,463
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,325)	2,030
Deferred gains or losses on hedges	22	(20)
Foreign currency translation adjustment	169	620
Remeasurements of defined benefit plans, net of tax	219	225
Share of other comprehensive income of entities accounted for using equity method	(5)	(25)
Total other comprehensive income	(1,919)	2,830
Comprehensive income	1,957	6,294
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,869	6,279
Comprehensive income attributable to non-controlling interests	87	14

## (3) Consolidated Statement of Changes in Net Assets

Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,150	8,820	41,983	(3,892)	51,061
Changes during period					
Dividends of surplus			(1,206)		(1,206)
Profit attributable to owners of parent			3,782		3,782
Purchase of treasury shares		2		(1,049)	(1,046)
Disposal of treasury shares		8		36	45
Change in ownership interest of parent due to transactions with non-controlling interests					—
Cancellation of treasury shares		(3,393)	(190)	3,583	—
Net changes in items other than shareholders' equity					
Total changes during period	—	(3,382)	2,385	2,570	1,574
Balance at end of period	4,150	5,438	44,369	(1,321)	52,635

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,144	(30)	598	211	8,922	317	60,301
Changes during period							
Dividends of surplus							(1,206)
Profit attributable to owners of parent							3,782
Purchase of treasury shares							(1,046)
Disposal of treasury shares							45
Change in ownership interest of parent due to transactions with non-controlling interests							—
Cancellation of treasury shares							—
Net changes in items other than shareholders' equity	(2,319)	22	164	219	(1,913)	56	(1,856)
Total changes during period	(2,319)	22	164	219	(1,913)	56	(282)
Balance at end of period	5,824	(8)	762	431	7,009	374	60,019

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,150	5,438	44,369	(1,321)	52,635
Changes during period					
Dividends of surplus			(1,364)		(1,364)
Profit attributable to owners of parent			3,449		3,449
Purchase of treasury shares				(1,344)	(1,344)
Disposal of treasury shares		9		38	48
Change in ownership interest of parent due to transactions with non-controlling interests		(223)			(223)
Cancellation of treasury shares					
Net changes in items other than shareholders' equity					—
Total changes during period	—	(213)	2,085	(1,306)	565
Balance at end of period	4,150	5,224	46,454	(2,627)	53,201

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,824	(8)	762	431	7,009	374	60,019
Changes during period							
Dividends of surplus							(1,364)
Profit attributable to owners of parent							3,449
Purchase of treasury shares							(1,344)
Disposal of treasury shares							48
Change in ownership interest of parent due to transactions with non-controlling interests							(223)
Cancellation of treasury shares							
Net changes in items other than shareholders' equity	2,029	(20)	594	225	2,829	(134)	2,694
Total changes during period	2,029	(20)	594	225	2,829	(134)	3,260
Balance at end of period	7,854	(29)	1,357	657	9,839	239	63,280

## (4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	5,150	4,783
Depreciation	1,630	1,749
Amortization of goodwill	22	22
Increase (decrease) in allowance for doubtful accounts	5	(0)
Increase (decrease) in provision for product warranties	(2)	25
Increase (decrease) in provision for loss on orders received	(187)	332
Increase (decrease) in provision for bonuses	34	40
Decrease (increase) in retirement benefit asset	(299)	(430)
Increase (decrease) in retirement benefit liability	21	11
Increase (decrease) in provision for environmental measures	—	326
Interest and dividend income	(448)	(440)
Interest expenses	18	18
Foreign exchange losses (gains)	(3)	25
Share of loss (profit) of entities accounted for using equity method	(29)	(23)
Loss (gain) on sale of investment securities	(1,565)	(1,492)
Loss (gain) on sale and retirement of non-current assets	6	(545)
Plant rebuilding expense	—	447
Environmental measures expenses	—	100
Subsidy income	(200)	—
Decrease (increase) in trade receivables	(349)	193
Decrease (increase) in inventories	(1,251)	1,830
Increase (decrease) in trade payables	(972)	(1,036)
Increase (decrease) in contract liabilities	1,986	(2,787)
Increase (decrease) in accrued consumption taxes	1,307	395
Decrease (increase) in accounts receivable - other	51	(37)
Other, net	(271)	439
Subtotal	4,653	3,946
Interest and dividends received	448	440
Interest paid	(18)	(18)
Subsidies received	200	—
Plant transfer cost and other paid	(14)	—
Plant rebuilding expense paid	(110)	(447)
Environmental measures expenses paid	—	(100)
Income taxes paid	(437)	(2,114)
Net cash provided by (used in) operating activities	4,720	1,706
<b>Cash flows from investing activities</b>		
Payments into time deposits	(95)	(245)
Proceeds from withdrawal of time deposits	95	245
Purchase of non-current assets	(5,491)	(2,839)
Proceeds from sale of non-current assets	8	1,552
Purchase of investment securities	(5)	(5)
Proceeds from sale of investment securities	2,256	1,676
Decrease (increase) in short-term loans receivable	0	(14)
Long-term loan advances	(30)	—
Purchase of insurance funds	(90)	(37)
Proceeds from cancellation of insurance funds	123	62
Other, net	(71)	(30)
Net cash provided by (used in) investing activities	(3,299)	363

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Repayments of lease liabilities	(14)	(13)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(106)	(394)
Purchase of treasury shares	(1,046)	(1,344)
Dividends paid	(1,202)	(1,361)
Dividends paid to non-controlling interests	(26)	(30)
Net cash provided by (used in) financing activities	(2,396)	(3,144)
Effect of exchange rate change on cash and cash equivalents	53	169
Net increase (decrease) in cash and cash equivalents	(922)	(905)
Cash and cash equivalents at beginning of period	13,746	12,824
Cash and cash equivalents at end of period	12,824	11,918

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

There are no contingent liabilities.

(Notes on Segment Information)

[Segment Information]

1. Outline of Reportable Segments

The Group's reportable segments are components of the Group for which separate financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resources to be allocated and to assess their performance.

Based on products and services, the Group has three reportable segments: "Heat Exchanger Business," "Process Engineering Business," and "Valve Business," with segments not falling under these categories classified as "Other."

Each segment formulates comprehensive domestic and overseas strategies for the products and services it handles and conducts business activities.

The product outline for each segment is as follows.

The Heat Exchanger Business manufactures and sells plate heat exchangers for heating and cooling fluids, which are essential in various industries.

The Process Engineering Business manufactures and sells sterilization equipment for retort foods, sterilization equipment for pharmaceuticals, and dyeing and finishing equipment for textile products.

The Valve business manufactures and sells ball valves and other products used to control various fluids.

2. Methods of measurement for the amounts of sales, profit or loss, assets and other items for each reportable segment

The accounting policies of each reportable segment are generally consistent with those disclosed in "Significant Accounting Policies for the Preparation of Consolidated Financial Statements."

Profit or loss for each reportable segment is calculated using operating profit.

Assets for each reportable segment are the amounts of trade receivables, inventories, and operating fixed assets held by the reportable segment.

In addition, shared assets such as those of the head office are not allocated to each reportable segment; however, related expenses are allocated to each reportable segment based on reasonable criteria.

3. Information on net sales, profit or loss, assets and other items by reportable segment

Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments				Other (Note)	Total
	Heat Exchanger	Process Engineering	Valve	Total		
Net sales						
Sales to customers	16,152	17,158	4,954	38,264	88	38,353
Segment Profit	1,342	1,418	292	3,053	65	3,118
Segment assets	23,135	22,441	4,971	50,548	898	51,447
Other items						
Depreciation	646	698	139	1,485	10	1,496
Increase in property, plant and equipment, and intangible assets	4,630	650	108	5,389	-	5,389

(Note) The "Other" category represents business segments not included in the reportable segments, such as the power generation business.

Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments				Other (Note)	Total
	Heat Exchanger	Process Engineering	Valve	Total		
Net sales						
Sales to customers	17,229	22,405	5,183	44,818	72	44,890
Segment Profit	988	2,129	366	3,485	52	3,537
Segment assets	22,110	23,318	4,934	50,363	53	50,417
Other items						
Depreciation	819	699	142	1,661	10	1,672
Increase in property, plant and equipment, and intangible assets	1,885	769	148	2,804	-	2,804

(Note) The "Other" category represents business segments not included in the reportable segments, such as the power generation business.

4. Differences between the total of reportable segments and amounts in the consolidated financial statements, and main details of such differences (matters relating to difference adjustments)

(Millions of yen)

Net sales	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Reportable segments total	38,264	44,818
Net sales of "Other" category	88	72
Net sales in consolidated financial statements	38,353	44,890

(Millions of yen)

Profit	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Reportable segments total	3,053	3,485
Profit of "Other" category	65	52
Amortization of goodwill	△22	△22
Corporate expenses (Note)	△268	△196
Adjustment for inventories	△10	△10
Other adjustments	113	△5
Operating profit in consolidated financial statements	2,930	3,303

(Note) Corporate expenses are mainly general and administrative expenses and research and development expenses that are not attributable to reportable segments.

(Millions of yen)

Assets	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Reportable segments total	50,548	50,363
Assets of "Other" category	898	53
Corporate assets (Note)	31,263	32,678
Adjustment for inventories	△13	△12
Total assets in consolidated financial statements	82,697	83,082

(Note) Corporate assets include surplus operating funds, long-term investment funds, and assets held by the administrative division, none of which are attributable to reportable segments.

(Millions of yen)

Other items	Reportable segments total		Other		amount of any resulting adjustment		Carrying value	
	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year	Previous Consolidated Fiscal Year	Current Consolidated Fiscal Year
Depreciation	1,485	1,661	10	10	134	77	1,630	1,749
Increase in property, plant and equipment, and intangible assets	5,389	2,804	-	-	14	58	5,403	2,863

(Note) Adjustments to depreciation and increase in property, plant and equipment, and intangible assets are amounts such as investments in shared assets not attributable to each segment.

(Per Share Information)

	Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)	Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)
Net assets per share	2,188.25 yen	2,397.55 yen
Earnings per Share	135.78 yen	130.21 yen

(Note) 1. Diluted net income per share is not stated because no dilutive shares exist.

2. The basis for the calculation of net assets per share is as follows.

	Previous Consolidated Fiscal Year (March 31, 2025)	Current Consolidated Fiscal Year (March 31, 2026)
Total net assets (millions of yen)	60,019	63,280
Amount deducted from total net assets (millions of yen)	374	239
(of which non-controlling interests (millions of yen))	△374	△239
Net assets attributable to common shares at end of period (millions of yen)	59,645	63,041
Number of common shares at end of period used to calculate net assets per share (shares)	27,257,162	26,293,933

3. The basis for the calculation of net income per share is as follows.

	Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)	Current Consolidated Fiscal Year (From April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (millions of yen)	3,782	3,449
Amounts not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent related to common shares (millions of yen)	3,782	3,449
Weighted-average number of common shares outstanding (shares)	27,855,790	26,492,943

(Significant Subsequent Events)

Not applicable.

4. Other

• Supplementary Information (IR Information)

(1) Breakdown of net sales by reportable segment

(Millions of yen)

Segment	Previous fiscal year April 2024 to March 2025		Current fiscal year April 2025 to March 2026		Amount of change	Year-over-year
	Amount	Composition ratio	Amount	Composition ratio		
Heat Exchanger	( 4,627 )	( 12.1 %)	( 5,715 )	( 12.7 %)	( 1,087 )	( 123.5 %)
	16,152	42.1	17,229	38.4	△077	106.7
Process Engineering	( 3,825 )	( 10.0 )	( 3,143 )	( 7.0 )	( 682 )	( 82.2 )
	17,158	44.8	22,405	49.9	△2,47	130.6
Valve	( 865 )	( 2.2 )	( 652 )	( 1.5 )	( 212 )	( 75.4 )
	4,954	12.9	5,183	11.5	228	104.6
Others	( - )	( - )	( - )	( - )	( - )	( - )
	88	0.2	72	0.2	△16	81.7
Total	( 9,318 )	( 24.3 )	( 9,510 )	( 21.2 )	( 192 )	( 102.1 )
	38,353	100.0	44,890	100.0	6,537	117.0

N.B. Figures in parentheses are overseas sales figures.

(2) Orders Received and Order Backlog by Segment

Segment	Previous fiscal year April 2024 to March 2025		Current fiscal year April 2025 to March 2026		Amount of change △	Year-over-year	
	Amount	Composition ratio	Amount	Composition ratio			
R e c e i v e s d	Heat Exchanger	( 5,446 )	( 12.9 %)	( 5,397 )	( 12.7 %)	( 48 )	( 99.1 %)
		16,793	39.7	17,193	40.4	400	102.4
	Process Engineering	( 2,954 )	( 7.0 )	( 3,765 )	( 8.8 )	( 811 )	( 127.5 )
		20,165	47.7	20,000	46.9	△165	99.2
	Valve	( 842 )	( 2.0 )	( 477 )	( 1.1 )	( 365 )	( 56.6 )
5,221		12.4	5,324	12.5	102	102.0	
Others	( - )	( - )	( - )	( - )	( - )	( - )	
	88	0.2	72	0.2	△16	81.7	
Total	( 9,243 )	( 21.9 )	( 9,640 )	( 22.6 )	( 397 )	( 104.3 )	
	42,269	100.0	42,591	100.0	△322	100.8	
B a c k l o g	Heat Exchanger	( 4,064 )	( 14.9 )	( 3,747 )	( 15.0 )	( 317 )	( 92.2 )
		7,594	27.8	7,558	30.2	35	99.5
	Process Engineering	( 1,676 )	( 6.1 )	( 2,299 )	( 9.2 )	( 622 )	( 137.1 )
		18,147	66.4	15,742	62.9	△2,405	86.7
	Valve	( 313 )	( 1.1 )	( 137 )	( 0.5 )	( 175 )	( 44.0 )
1,593		5.8	1,735	6.9	141	108.9	
Others	( - )	( - )	( - )	( - )	( - )	( - )	
	-	-	-	-	-	-	
Total	( 6,054 )	( 22.1 )	( 6,184 )	( 24.7 )	( 130 )	( 102.1 )	
	27,335	100.0	25,036	100.0	2,299	91.6	

N.B. Figures in parentheses are the figures for overseas orders and overseas order backlog.