

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2025 (Based on Japanese GAAP)



November 13, 2025

Company name: Denyo Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6517 URL <https://www.denyo.co.jp/>
 Representative: President Takanori Yoshinaga
 Inquiries: Director & Managing Executive Officer Makoto Tanabe TEL 03-6861-1111
 Scheduled date to file Semi-annual Securities Report: November 13, 2025
 Scheduled date to commence dividend payments: December 8, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2025	31,851	(6.4)	2,169	(29.8)	2,474	(27.8)	1,617	(29.5)
Six months ended September 30, 2024	34,020	(0.5)	3,089	42.5	3,427	48.7	2,294	43.5

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	79.07	—
Six months ended September 30, 2024	111.11	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	99,355	80,117	77.5
As of March 31, 2025	103,103	80,658	75.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	30.00	—	45.00	75.00
Year ending March 31, 2026	—	45.00			
Year ending March 31, 2026 (Forecast)			—	55.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	72,000	1.8	7,300	(1.3)	7,700	(3.8)	5,100	(9.7)	249.29

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended September 30, 2025: No
- (2) Application of special accounting methods for preparing semi-annual consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2025	21,859,660 shares	As of March 31, 2025	22,859,660 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2025	1,388,021 shares	As of March 31, 2025	2,401,752 shares
--------------------------	------------------	----------------------	------------------

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

Six months ended September 30, 2025	20,461,687 shares	Six months ended September 30, 2024	20,650,857 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Semi-annual consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	23,500	21,923
Notes receivable - trade	1,389	1,228
Electronically recorded monetary claims - operating	8,552	7,778
Accounts receivable - trade	13,760	13,231
Securities	998	998
Merchandise and finished goods	7,556	7,568
Work in process	2,381	2,349
Raw materials and supplies	7,711	7,275
Other	802	393
Allowance for doubtful accounts	(4)	(4)
Total current assets	66,647	62,743
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	13,947	13,635
Machinery, equipment and vehicles, net	2,449	2,140
Land	6,462	6,441
Construction in progress	317	275
Other, net	366	393
Total property, plant and equipment	23,543	22,886
Intangible assets	1,324	1,739
Investments and other assets		
Investment securities	10,758	11,199
Deferred tax assets	598	577
Other	230	208
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	11,587	11,985
Total non-current assets	36,455	36,611
Total assets	103,103	99,355

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,439	7,266
Electronically recorded obligations - operating	2,349	2,129
Short-term borrowings	1,772	725
Accrued expenses	642	714
Income taxes payable	1,374	756
Provision for bonuses	763	830
Provision for bonuses for directors (and other officers)	82	33
Provision for product warranties	673	635
Other	1,477	1,323
Total current liabilities	17,575	14,416
Non-current liabilities		
Long-term borrowings	2,299	2,186
Lease liabilities	378	360
Deferred tax liabilities	1,817	1,974
Retirement benefit liability	362	289
Other	10	10
Total non-current liabilities	4,868	4,821
Total liabilities	22,444	19,238
Net assets		
Shareholders' equity		
Share capital	1,954	1,954
Capital surplus	1,788	1,754
Retained earnings	67,249	66,256
Treasury shares	(3,228)	(1,524)
Total shareholders' equity	67,764	68,441
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,000	5,301
Foreign currency translation adjustment	4,443	3,206
Remeasurements of defined benefit plans	75	56
Total accumulated other comprehensive income	9,518	8,564
Non-controlling interests	3,375	3,110
Total net assets	80,658	80,117
Total liabilities and net assets	103,103	99,355

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

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	34,020	31,851
Cost of sales	26,055	24,505
Gross profit	7,964	7,346
Selling, general and administrative expenses	4,875	5,176
Operating profit	3,089	2,169
Non-operating income		
Interest income	68	133
Dividend income	148	149
Rental income from buildings	53	53
Foreign exchange gains	78	—
Share of profit of entities accounted for using equity method	29	39
Other	15	20
Total non-operating income	393	396
Non-operating expenses		
Interest expenses	46	48
Foreign exchange losses	—	30
Other	8	12
Total non-operating expenses	55	90
Ordinary profit	3,427	2,474
Extraordinary income		
Gain on sale of non-current assets	4	11
Gain on sale of investment securities	10	11
Total extraordinary income	15	22
Extraordinary losses		
Loss on disposal of non-current assets	2	3
Total extraordinary losses	2	3
Profit before income taxes	3,441	2,494
Income taxes - current	1,010	787
Income taxes - deferred	(39)	40
Total income taxes	970	827
Profit	2,471	1,667
Profit attributable to		
Profit attributable to owners of parent	2,294	1,617
Profit attributable to non-controlling interests	176	49
Other comprehensive income		
Valuation difference on available-for-sale securities	(88)	295
Foreign currency translation adjustment	1,796	(1,431)
Remeasurements of defined benefit plans, net of tax	13	(18)
Share of other comprehensive income of entities accounted for using equity method	0	4
Total other comprehensive income	1,721	(1,149)
Comprehensive income	4,193	517
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,773	663
Comprehensive income attributable to non-controlling interests	419	(146)

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	3,441	2,494
Depreciation	592	921
Interest and dividend income	(216)	(282)
Interest expenses	46	48
Share of loss (profit) of entities accounted for using equity method	(29)	(39)
Loss (gain) on sale of investment securities	(10)	(11)
Decrease (increase) in trade receivables	5,055	1,138
Decrease (increase) in inventories	(382)	(5)
Increase (decrease) in trade payables	(2,882)	(1,203)
Other, net	(9)	595
Subtotal	5,604	3,656
Interest and dividends received	227	290
Interest paid	(47)	(48)
Income taxes paid	(1,445)	(1,384)
Net cash provided by (used in) operating activities	4,339	2,513
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,686)	(472)
Purchase of intangible assets	(172)	(817)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	12	11
Other, net	2	15
Net cash provided by (used in) investing activities	(4,845)	(1,265)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,076)	—
Proceeds from long-term borrowings	2,200	—
Repayments of long-term borrowings	(42)	(1,159)
Purchase of treasury shares	(0)	(0)
Dividends paid	(857)	(955)
Dividends paid to non-controlling interests	(95)	(118)
Other, net	(12)	(11)
Net cash provided by (used in) financing activities	115	(2,245)
Effect of exchange rate change on cash and cash equivalents	600	(579)
Net increase (decrease) in cash and cash equivalents	210	(1,576)
Cash and cash equivalents at beginning of period	24,029	24,497
Cash and cash equivalents at end of period	24,239	22,920

Segment Information

I. For the Six months ended September 30, 2024

1. Information on net sales, profit or loss by reportable segments

(Millions of yen)

	Reportable segments					Adjustments (Note)	Amount recorded in the consolidated statements of income and comprehensive income
	Japan	America	Asia	Europe	Total		
Net sales							
Net sales to outside customers	22,189	9,407	2,260	161	34,020	—	34,020
Intersegment net sales or transfers	2,746	116	2,817	13	5,693	(5,693)	—
Total	24,936	9,524	5,078	174	39,713	(5,693)	34,020
Segment profit (loss) [Operating profit (loss)]	1,474	1,020	369	(4)	2,859	229	3,089

Note: The adjustments of segment profit(loss) include inventory adjustments related to intersegment transactions.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

II. For the Six months ended September 30, 2025

1. Information on net sales, profit or loss by reportable segments

(Millions of yen)

	Reportable segments					Adjustments (Note)	Amount recorded in the consolidated statements of income and comprehensive income
	Japan	America	Asia	Europe	Total		
Net sales							
Net sales to outside customers	23,542	6,023	2,125	160	31,851	—	31,851
Intersegment net sales or transfers	2,549	188	2,230	2	4,972	(4,972)	—
Total	26,092	6,212	4,356	162	36,823	(4,972)	31,851
Segment profit (loss) [Operating profit (loss)]	1,565	154	198	(5)	1,913	256	2,169

Note: The adjustments of segment profit(loss) include inventory adjustments related to intersegment transactions.

2. Information on impairment loss on non-current assets and goodwill by reportable segment

Not applicable.

Revenue Recongnition

[Breakdown of Revenue from Contracts with Customers]

(1) Sales results by product

(Millions of yen)

Product	Six months ended September 30, 2024	Six months ended September 30, 2025	Year-on-year	
			Change	%
Generators	28,483	25,877	(2,605)	(9.1)
Welders	2,124	2,447	322	15.2
Compressors	341	401	60	17.7
Others	3,070	3,123	52	1.7
Revenue from contracts with customers	34,020	31,851	(2,168)	(6.4)
Other revenue	—	—	—	—
Net sales to external customers	34,020	31,851	(2,168)	(6.4)

(2) Sales results by region

(Millions of yen)

Region	Six months ended September 30, 2024	Six months ended September 30, 2025	Year-on-year	
			Change	%
Japan	18,208	18,448	239	1.3
Overseas	15,811	13,403	(2,408)	(15.2)
North/Central America	11,011	8,977	(2,033)	(18.5)
Asia	3,429	3,073	(355)	(10.4)
Others	1,371	1,351	(19)	(1.4)
Revenue from contracts with customers	34,020	31,851	(2,168)	(6.4)
Other revenue	—	—	—	—
Net sales to external customers	34,020	31,851	(2,168)	(6.4)