

## Summary of Financial Statements of Fiscal Year Ended March 2026 (Japanese GAAP) (Consolidated)

Name of listed company: SINFONIA TECHNOLOGY CO., LTD.  
Exchange for listed company: Tokyo Stock Exchange  
Securities Code: 6507  
URL: [https://hibiki.sinfo-t.jp/eng/index\\_a.htm](https://hibiki.sinfo-t.jp/eng/index_a.htm)  
Representative: Minoru Yamakuni, President

(Rounded down to the nearest million yen)

### 1. Consolidated financial results of fiscal year ended March 2026 (April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results (cumulative)

(Percentage (%) indicates the rate of year-over-year increase or decrease)

Fiscal year ended	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	128,197	7.6	18,464	17.4	18,793	17.9	14,498	19.9
March 31, 2025	119,150	16.1	15,734	57.2	15,941	51.4	12,097	61.2

Note: Comprehensive income Fiscal year ended March 2026 ¥ 22,113 million 189.2%  
Fiscal year ended March 2025 ¥ 7,647 million (45.3)%

Fiscal year ended	Profit per share	Diluted profit per share	Return on equity	Return on assets	Return on net sales
	Yen	Yen	%	%	%
March 31, 2026	513.87	-	16.2	12.7	14.4
March 31, 2025	428.87	-	15.7	11.7	13.2

(Reference) Equity in net income of affiliates

Fiscal year ended March 2026 ¥ - million  
Fiscal year ended March 2025 ¥ - million

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	158,740	98,906	62.3	3,505.37
March 31, 2025	136,467	80,129	58.7	2,840.25

(Reference) Equity capital

As of March 31, 2026 ¥ 98,906 million  
As of March 31, 2025 ¥ 80,129 million

#### (3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	12,909	(6,466)	(5,651)	11,618
March 31, 2025	11,373	(1,915)	(8,964)	10,221

### 2. Cash dividends

	Annual dividends per share					Total amount of dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of first quarter	End of second quarter	End of third quarter	End of period	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	115.00	115.00	3,261	26.8	4.2
Fiscal year ended March 31, 2026	-	0.00	-	155.00	155.00	4,398	30.2	4.9
Fiscal year ending March 31, 2027 (forecast)	-	0.00	-	161.00	161.00		30.3	

Note: Total amount of dividends includes the dividends for Sinfonia Technology's shares held by the Board Benefit Trust (BBT) (¥ 17 million for fiscal year ended March 2025 and ¥ 24 million for fiscal year ended March 2026).

### 3. Consolidated operating results forecast of fiscal year ending March 2027 (April 1, 2026 to March 31, 2027)

(Percentage (%) indicates the rate of year-over-year increase or decrease)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	140,000	9.2	21,000	13.7	21,000	11.7	15,000	3.5	531.64

**\*Notes**

- (1) Transfer of key subsidiaries during the fiscal year  
 (transfer of specific subsidiaries that involve any changes in the scope of consolidation): Yes  
 One company newly consolidated: SINFONIA TECHNOLOGY (AMERICA) INC.  
 Exclusion: OSAKI ELECTRIC CLUTCH AND BRAKE CO., LTD.
- (2) Changes in accounting policies, changes in accounting estimates, and/or restatements  
 (i) Changes in accounting policies associated with any amendments in accounting standards, etc. No  
 (ii) Other changes in accounting policies: No  
 (iii) Changes in accounting estimates: No  
 (iv) Restatements: No

(3) Number of issued shares (common shares)

a Number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	29,789,122 shares	As of March 31, 2025	29,789,122 shares
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b Number of treasury shares at the end of the period

As of March 31, 2026	1,573,367 shares	As of March 31, 2025	1,576,839 shares
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c Average number of shares during the period (cumulative from the beginning of the fiscal year)

Fiscal year ended March 31, 2026	28,214,795 shares	Fiscal year ended March 31, 2025	28,207,039 shares
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Note: Number of treasury shares at the end of the period includes Sinfonia Technology's shares held by the Board Benefit Trust (BBT) (159,600 shares in fiscal year ended March 2026 and 148,900 shares in fiscal year ended March 2025). Sinfonia Technology's shares held by the Board Benefit Trust (BBT) are included in the treasury shares deducted in the calculation of the average number of shares during the period (148,338 shares in fiscal year ended March 2026 and 154,623 shares in fiscal year ended March 2025).

**Reference: Non-consolidated financial results of fiscal year ended March 2026**

**(April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results** (Percentage (%) indicates the rate of year-over-year increase or decrease)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	96,924	8.5	14,017	22.0	15,839	25.2	12,999	30.1
March 31, 2025	89,317	15.3	11,485	52.7	12,649	41.4	9,990	44.9

	Profit per share		Diluted profit per share	
	Yen		Yen	
Fiscal year ended				
March 31, 2026	460.73		-	
March 31, 2025	354.17		-	

**(2) Non-consolidated financial position**

	Total assets		Net assets		Equity capital ratio		Net assets per share	
	Millions of yen		Millions of yen		%		yen	
As of								
March 31, 2026	133,385		77,861		58.4		2,759.50	
March 31, 2025	115,244		64,686		56.1		2,292.84	

(Reference) Equity capital

As of March 31, 2026	¥77,861 million
As of March 31, 2025	¥64,686 million

\* Summary of Financial Statements is not subject to the audit of a certified public accountant or an auditing firm.

\* Explanation of proper use of financial results forecast and other special notes

The financial results forecast is based on information available as of the date of the announcement of this document.

The actual results may differ from this forecast due to different future factors.

## Table of contents of the attachment

### Index

1. Operating Results and Financial Position .....	2
(1) Analysis of Operating Results .....	2
(2) Analysis of Financial Position .....	3
(3) Cash Flows.....	3
(4) Future Outlook.....	4
(5) Basic Policy on Profit Distribution and Information on Dividends for the Fiscal Year under Review and Next Fiscal Year .....	4
2. Mid-to-long term management strategies and issues to be addressed.....	5
3. Basic concept for the selection of accounting standard.....	6
4. Consolidated financial statements and major notes.....	7
(1) Consolidated balance sheet.....	7
(2) Consolidated statement of income and consolidated statement of comprehensive income.....	9
(Consolidated statement of income) .....	9
(Consolidated statement of comprehensive income) .....	10
(3) Consolidated statement of changes in equity.....	11
(4) Consolidated statement of cash flows.....	13
(5) Notes on consolidated financial statements .....	14
(Notes on going concern).....	14
(Significant changes in the scope of consolidation during the period) .....	14
(Additional information).....	14
(Segment information).....	15
(Per-share information).....	16
(Significant subsequent events) .....	16
Supplementary Information for the Financial Results of Fiscal Year Ended March 2026 [Fiscal 2025](Consolidated).....	17

# 1. Operating Results and Financial Position

## (1) Analysis of Operating Results

The business environment surrounding the Sinfonia Technology Group (the “Group”) during this fiscal year remained generally solid. While uncertainties persisted due to geopolitical risks and U.S. tariff policies, demand for capital investment in the automotive sector showed signs of caution. Nevertheless, overall conditions were supported by continued demand for defense-related equipment and strong demand for domestic electrical construction, as well as a recovery in capital investment related to AI semiconductor demand, which strengthened from the fourth quarter onward.

Under such economic conditions, the Group’s operating results for this fiscal year were orders received in the amount of ¥158,932 million (up 10.7% year-over-year) and net sales of ¥128,197 million (up 7.6% year-over-year). As for gains and losses, operating profit was ¥18,464 million (up 17.4% year-over-year), ordinary profit was ¥18,793 million (up 17.9% year-over-year), and profit attributable to owners of parent was ¥14,498 million (up 19.9% year-over-year).

Our business performance by business segment is as follows:

### [Clean Transport System business]

Due to the recovery trend in demand for semiconductor-related investments, orders received amounted to ¥28,586 million (up 9.5% year-over-year).

Net sales were ¥28,029 million (up 11.5% year-over-year), and as for gains and losses, operating profit was ¥4,797 million (up 19.2% year-over-year) due to an increase in net sales.

### [Motion Equipment business]

Although orders for actuators for semiconductor manufacturing equipment remained steady and orders for aerospace-related equipment continued at a high level in the current fiscal year, orders received amounted to ¥65,997 million (down 0.7% year-over-year), almost the same level as the previous fiscal year.

Net sales were ¥50,731 million (up 17.1% year-over-year), reflecting steady progress in fulfilling the order backlog, and as for gains and losses, operating profit was ¥6,864 million (up 41.6% year-over-year) due to increased net sales and improved margins.

### [Power Electronics Equipment business]

Although orders for automotive testing equipment mainly for EVs decreased, orders received amounted to ¥29,544 million (up 9.9% year-over-year) due to large-scale orders for electrical equipment for sewerage facilities and vibration equipment for overseas markets.

Net sales were ¥25,090 million (down 4.5% year-over-year), and as for gains and losses, operating profit was ¥3,280 million (down 3.6% year-over-year) due to a decrease in net sales of automotive testing equipment.

### [Engineering & Service business]

Due to the receipt of large-scale domestic electrical construction projects with long construction periods, orders received amounted to ¥34,803 million (up 44.3% year-over-year).

Net sales were ¥24,346 million (down 0.2% year-over-year), and as for gains and losses, operating profit was ¥3,697 million (up 8.5% year-over-year) due to improved margins.

(Notes)

SINFONIA TECHNOLOGY (AMERICA) INC., which had been a non-consolidated subsidiary, has been included in the scope of consolidation from the current fiscal year due to its increased materiality.

The reporting segments are classified based on the Company’s business divisions by products and services, and are included in the Clean Transport System business.

In addition, during the current fiscal year, all shares of OSAKI ELECTRIC CLUTCH AND BRAKE Co., Ltd., which had been a wholly owned consolidated subsidiary of the Company, were transferred, and the Company has therefore lost control of the subsidiary, resulting in its exclusion from the scope of consolidation.

## **(2) Analysis of Financial Position**

### (Assets)

The total assets as of the end of this fiscal year were ¥158,740 million, which is a year-over-year increase of ¥22,272 million. This is primarily the result of increases in property, plant and equipment, in retirement benefit asset, in investment securities, in notes and accounts receivable - trade and contract assets, and in cash and deposits by ¥6,559 million, ¥5,358 million, ¥4,745 million, ¥3,030 million and ¥1,397 million, respectively.

### (Liabilities)

The liabilities as of the end of this fiscal year were ¥59,833 million, which is a year-over-year increase of ¥3,496 million. This is primarily the result of increases in other current liabilities and deferred tax liabilities by ¥4,122 million and ¥2,311 million, respectively, as well as a decrease in borrowings by ¥2,347 million.

### (Net assets)

Net assets as of the end of this fiscal year were ¥98,906 million, which is a year-over-year increase of ¥18,776 million. This is the result of an increase in retained earnings by ¥11,163 million due to recording profit attributable to owners of parent, as well as increases in remeasurements of defined benefit plans and in valuation difference on available-for-sale securities by ¥3,540 million and ¥3,536 million, respectively.

## **(3) Cash Flows**

The cash and cash equivalents (the “funds”) of this fiscal year on a consolidated basis were ¥11,618 million as of the end of this fiscal year, increasing by ¥1,397 million compared to that as of the end of the previous fiscal year.

The status of cash flows by activity and the factors thereof are as follows:

### (Cash flows from operating activities)

The amount of increase in funds from operating activities in this fiscal year was ¥12,909 million. This is the result of income taxes paid of ¥5,534 million and an increase in trade receivables of ¥3,674 million, together with the recording of profit before income taxes of ¥19,387 million and depreciation of ¥3,244 million.

### (Cash flows from investing activities)

The amount of decrease in funds from investing activities in this fiscal year was ¥6,466 million. This is the result of the purchase of property, plant and equipment in the amount of ¥7,299 million and the proceeds from sale of investment securities of ¥1,154 million.

### (Cash flows from financing activities)

The amount of decrease in funds from financing activities in this fiscal year was ¥5,651 million. This is the result of dividends paid of ¥3,239 million and a net decrease of ¥2,392 million in short-term borrowings and long-term borrowings (amount obtained by subtracting repayment from procurement).

#### (4) Future Outlook

As for the future business environment of the Group, the outlook is expected to remain uncertain due to movements in tariff policies in the United States and geopolitical risks, including the situation in the Middle East.

However, we expect demand to remain strong due to continued demand in the defense sector, a recovery in the semiconductor market centered on AI-related demand, and investments in DX and labor-saving equipment, and we will continue to secure additional resources to achieve our medium-term management plan.

The forecast for the fiscal year ending March 2027 as of this date is as follows:

Although we believe that the direct impact of the situation in the Middle East on the Group will be minimal, we have not factored this impact into our full-year forecast for the fiscal year ending March 2027. We will continue to closely monitor indirect impacts, including those on our customers.

Future prospects for consolidated business performance

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Consolidated full-year financial results forecast of fiscal year ending March 2027	140,000	21,000	21,000	15,000
Consolidated full-year financial results of fiscal year ended March 2026 (Reference)	128,197	18,464	18,793	14,498
Increase/Decrease rate	9.2%	13.7%	11.7%	3.5%

- Notes: 1. The financial results forecast is based on information available as of the date of the announcement of this document. The actual results may differ from this forecast due to different future factors.
2. In the fiscal year ended March 2026, gain on sale of investment securities due to the partial sale of shares held for purposes other than pure investment was recorded as extraordinary income.

#### (5) Basic Policy on Profit Distribution and Information on Dividends for the Fiscal Year under Review and Next Fiscal Year

The Company has a basic policy to pay dividends on a continuous and stable basis, while taking into consideration factors such as business performance and financial condition. Although the Company had previously set a target dividend payout ratio of 30% in its medium-term management plan, it has now revised this policy to a target of 30% or more. The year-end dividend for the fiscal year under review will be proposed to be ¥155 per share at the annual shareholders' meeting scheduled to be held on June 26, 2026.

For the next fiscal year, the Company plans to pay a year-end dividend of ¥161 per share.

## 2. Mid-to-long term management strategies and issues to be addressed

The Group has formulated a three-year group medium-term management plan starting from fiscal 2025 and is currently working on the implementation of efforts.

[Overview of the medium-term management plan]

The medium-term management plan is to expand business areas and significantly increase business scale by focusing on technology-oriented initiatives (enhancing customer satisfaction through technological development and responsiveness) with the aim of achieving our long-term target for 2030 of “transformation into a company that challenges and grows, resonating with society, customers, and ourselves.”

I. Name of the Plan: "SINFONIA NEXT DREAM"

II. Basic Policy of “SINFONIA NEXT DREAM"

We will promote business expansion based on the fundamental business model of Sinfonia Technology, which is “Technology-Oriented” (enhancing customer satisfaction through technological development and responsiveness).

We will drive business expansion by expanding our business territory in the semiconductor-related market, which is expected to have sustained demand, and by increasing the capacity of our aerospace business in line with defense capability enhancement plans. By strengthening our core technologies, "Motor/Motor Drive and Power Electronics," we will transform our product composition and business portfolio.

(i) Focus on Semiconductor and Aerospace Fields

The semiconductor market, essential for all electronic products, is expected to continue evolving and expanding. We will leverage our strength in precision transport technology to broaden the business scope of our Clean Transport System and Motion Equipment segments.

In the aerospace business, which is benefiting from the strengthening of defense capabilities and the promotion of space industry growth, we will double our capacity and expand the scope of our technologies to increase business scale .

(ii) Business Expansion through Strengthening Technological Development and Responsiveness

Intending to further enhance customer satisfaction through the technological development and responsiveness (Technology-Oriented) of our business model, we will significantly increase the number of engineers, expand educational programs, and promote collaboration with external parties, including M&A, to accelerate development and expand the scope of our technologies.

(iii) Active Investment and Operational Efficiency for Business Expansion

To address the expansion of our business scale and the social issue of labor shortages, we will significantly increase capacity and invest in automation and digitalization. Additionally, to strengthen our technological development framework, we will establish technology development centers and build a foundation for sustainable corporate growth.

(iv) Organizational and Cultural Reform (Continuing from the Previous Mid-Term Plan)

To transform into a company that supports people who can and will take on challenges for the growth of both the company and individuals, we will invest in human capitals by enhancing recruitment, education, and evaluation systems, and implement organizational reforms that can flexibly respond to the business environment with a view to mid- to long-term growth.

### III. Targets of "SINFONIA NEXT DREAM"

#### (1) Financial Targets

	FY 2025 Results	FY 2027 Targets
Net Sales	¥128.2 bn	¥160.0 bn
Operating Profit Margin	14.4%	14%
ROE	16.2%	15%

#### (2) Basic policy for shareholder return

Assuming stable dividends, we will pay dividends with a payout ratio of 30% as a target.

#### (3) Cash Allocation ( Cumulative for FY25-FY27)

From fiscal year 2025 to 2027, we will use ¥62 bn, sourced from operating cash flow and asset compression/effective utilization (including reduction of policy-holding stocks) , for expansion investments of ¥32 bn towards 2030, and renewal and automation investments , etc., of ¥18 bn to ensure operational efficiency and stability. The amount of shareholder return is assumed to be ¥12 bn.

### 3. Basic concept for the selection of accounting standard

The Group will continue to prepare consolidated financial statements based on Japanese standards for the time being in order to ensure the possibility of comparison of financial statements between companies and over time.

We intend to appropriately deal with the application of the International Financial Reporting Standards (IFRS) upon considering domestic and international affairs.

## 4. Consolidated financial statements and major notes

### (1) Consolidated balance sheet

	(Unit: Millions of yen)	
	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
Assets		
Current assets		
Cash and deposits	10,221	11,619
Notes and accounts receivable - trade, and contract assets	34,010	37,041
Electronically recorded monetary claims - operating	7,128	7,499
Merchandise and finished goods	2,581	3,644
Work in process	10,862	11,078
Raw materials and supplies	11,617	10,675
Other	716	1,187
Allowance for doubtful accounts	(88)	(46)
Total current assets	77,049	82,700
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,308	15,272
Machinery, equipment and vehicles, net	3,895	4,258
Tools, furniture and fixtures, net	1,596	2,046
Land	15,263	14,975
Leased assets, net	18	19
Construction in progress	996	7,066
Total property, plant and equipment	37,079	43,639
Intangible assets	945	834
Investments and other assets		
Investment securities	14,086	18,831
Retirement benefit asset	4,111	9,470
Deferred tax assets	1,322	1,260
Other	1,939	2,069
Allowance for doubtful accounts	(67)	(65)
Total investments and other assets	21,392	31,565
Total non-current assets	59,417	76,039
Total assets	136,467	158,740

	(Unit: Millions of yen)	
	Previous fiscal year (March 31, 2025)	Current fiscal year (March 31, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,302	16,325
Short-term borrowings	770	370
Current portion of long-term borrowings	3,296	3,405
Income taxes payable	3,936	4,046
Accrued consumption taxes	1,371	1,194
Provision for product warranties	472	334
Provision for loss on orders received	296	149
Other	11,849	15,972
Total current liabilities	38,296	41,799
Non-current liabilities		
Long-term borrowings	10,869	8,813
Deferred tax liabilities	2,058	4,369
Deferred tax liabilities for land revaluation	1,719	1,719
Provision for share awards for directors (and other officers)	213	303
Retirement benefit liability	2,396	2,156
Other	783	672
Total non-current liabilities	18,040	18,034
Total liabilities	56,337	59,833
Net assets		
Shareholders' equity		
Share capital	10,156	10,156
Capital surplus	452	593
Retained earnings	55,733	66,897
Treasury shares	(1,940)	(2,082)
Total shareholders' equity	64,403	75,565
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,471	11,007
Deferred gains or losses on hedges	-	(6)
Revaluation reserve for land	3,863	3,863
Foreign currency translation adjustment	1,573	2,117
Remeasurements of defined benefit plans	2,819	6,359
Total accumulated other comprehensive income	15,726	23,341
Total net assets	80,129	98,906
Total liabilities and net assets	136,467	158,740

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**(Consolidated statement of income)**

	(Unit: Millions of yen)	
	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Net sales	119,150	128,197
Cost of sales	87,294	91,240
Gross profit	31,855	36,956
Selling, general and administrative expenses	16,121	18,492
Operating profit	15,734	18,464
Non-operating income		
Interest and dividend income	710	489
Foreign exchange gains	-	87
Other	153	194
Total non-operating income	864	772
Non-operating expenses		
Interest expenses	165	189
Donations Expense	42	47
Other	448	207
Total non-operating expenses	656	443
Ordinary profit	15,941	18,793
Extraordinary income		
Gain on sales of investment securities	1,066	918
Subsidy income	272	-
Total extraordinary income	1,338	918
Extraordinary losses		
Loss on liquidation of non-current assets	491	-
Loss on sale of shares of subsidiaries	-	323
Total extraordinary losses	491	323
Profit before income taxes	16,789	19,387
Income taxes - current	4,952	5,607
Income taxes - deferred	(260)	(718)
Total income taxes	4,692	4,888
Profit	12,097	14,498
Profit attributable to owners of parent	12,097	14,498

**(Consolidated statement of comprehensive income)**

	(Unit: Millions of yen)	
	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Profit	12,097	14,498
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,059)	3,536
Deferred gains or losses on hedges	39	(6)
Revaluation reserve for land	(50)	-
Foreign currency translation adjustment	483	543
Remeasurements of defined benefit plans, net of tax	(1,862)	3,540
Total other comprehensive income	(4,449)	7,614
Comprehensive income	7,647	22,113
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,647	22,113
Comprehensive income attributable to non-controlling interests	-	-

### (3) Consolidated statement of changes in equity

Previous fiscal year (From April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,156	452	45,622	(1,957)	54,274
Changes during period					
Dividends of surplus			(1,985)		(1,985)
Profit attributable to owners of parent			12,097		12,097
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares				20	20
Changes in Scope of Consolidation					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	10,111	16	10,128
Balance at end of period	10,156	452	55,733	(1,940)	64,403

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,530	(39)	3,913	1,090	4,681	20,176	74,451
Changes during period							
Dividends of surplus							(1,985)
Profit attributable to owners of parent							12,097
Purchase of treasury shares							(4)
Disposal of treasury shares							20
Changes in Scope of Consolidation							-
Net changes in items other than shareholders' equity	(3,059)	39	(50)	483	(1,862)	(4,449)	(4,449)
Total changes during period	(3,059)	39	(50)	483	(1,862)	(4,449)	5,678
Balance at end of period	7,471	-	3,863	1,573	2,819	15,726	80,129

Current fiscal year (From April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,156	452	55,733	(1,940)	64,403
Changes during period					
Dividends of surplus			(3,261)		(3,261)
Profit attributable to owners of parent			14,498		14,498
Purchase of treasury shares				(164)	(164)
Disposal of treasury shares		140		23	163
Changes in Scope of Consolidation			(73)		(73)
Net changes in items other than shareholders' equity					
Total changes during period	-	140	11,163	(141)	11,162
Balance at end of period	10,156	593	66,897	(2,082)	75,565

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	7,471	-	3,863	1,573	2,819	15,726	80,129
Changes during period							
Dividends of surplus							(3,261)
Profit attributable to owners of parent							14,498
Purchase of treasury shares							(164)
Disposal of treasury shares							163
Changes in Scope of Consolidation							(73)
Net changes in items other than shareholders' equity	3,536	(6)		543	3,540	7,614	7,614
Total changes during period	3,536	(6)	-	543	3,540	7,614	18,776
Balance at end of period	11,007	(6)	3,863	2,117	6,359	23,341	98,906

**(4) Consolidated statement of cash flows**

(Unit: Millions of yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	16,789	19,387
Depreciation	2,978	3,244
Increase (decrease) in provision for product warranties	(100)	(137)
Increase (decrease) in provision for loss on orders received	(89)	(147)
Increase (decrease) in net defined benefit asset and liability	(697)	(439)
Increase (decrease) in provision for share awards for directors (and other officers)	56	89
Increase (decrease) in allowance for doubtful accounts	(50)	(47)
Interest and dividend income	(710)	(489)
Interest expenses	165	189
Subsidy income	(272)	(73)
Gain on sales of investment securities	(1,066)	(918)
Loss on sale of shares of subsidiaries	-	323
Loss on liquidation of non-current assets	491	-
Decrease (increase) in trade receivables	(2,933)	(3,674)
Decrease (increase) in inventories	(439)	(446)
Increase (decrease) in trade payables	(2,054)	(54)
Increase (decrease) in accrued consumption taxes	118	(165)
Increase (decrease) in contract liabilities	359	1,730
Other, net	1,144	(236)
Subtotal	13,687	18,134
Interest and dividends received	710	488
Interest paid	(168)	(179)
Income taxes paid	(2,855)	(5,534)
Net cash provided by (used in) operating activities	11,373	12,909
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,975)	(7,299)
Purchase of intangible assets	(316)	(142)
Purchase of investment securities	(13)	(18)
Proceeds from the sales of investment securities	1,374	1,154
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	145
Income from subsidy income	272	73
Other, net	(256)	(377)
Net cash provided by (used in) investing activities	(1,915)	(6,466)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,300)	(400)
Proceeds from long-term borrowings	1,530	1,300
Repayments of long-term borrowings	(3,195)	(3,292)
Dividends paid	(1,976)	(3,239)
Other, net	(22)	(19)
Net cash provided by (used in) financing activities	(8,964)	(5,651)
Effect of exchange rate change on cash and cash equivalents	154	140
Net increase (decrease) in cash and cash equivalents	648	931
Cash and cash equivalents at beginning of period	9,572	10,221
Increase in cash and cash equivalents from newly consolidated subsidiaries	-	466
Cash and cash equivalents at end of period	10,221	11,618

## **(5) Notes on consolidated financial statements**

### **(Notes on going concern)**

Not applicable.

### **(Significant changes in the scope of consolidation during the period)**

During the current fiscal year, SINFONIA TECHNOLOGY (AMERICA) INC., which had been a non-consolidated subsidiary, has been included in the scope of consolidation due to its increased materiality.

In addition, during the current fiscal year, all shares of OSAKI ELECTRIC CLUTCH AND BRAKE Co., Ltd., which had been a wholly owned consolidated subsidiary of the Company, were transferred, and the Company has therefore lost control of the subsidiary, resulting in its exclusion from the scope of consolidation.

### **(Additional information)**

(Introduction of the Board Benefit Trust (BBT) for directors, etc.)

Based on a resolution at the 95th annual shareholders' meeting held on June 27, 2019, the Company has introduced the Board Benefit Trust (BBT), which is a performance share system targeting directors who are not outside directors and executive officers who are not also directors (collectively, the "Directors, etc.>").

#### 1. Outline of transactions

The BBT is a performance share system that uses the money contributed by the Company as a fund to acquire the Company's shares through a trust (the "Trust," as established based on the BBT) to provide the Directors, etc. with the Company's shares and the money equivalent to the amount obtained by converting the Company's shares using market value (the "Company's Shares, etc.") through the Trust according to the regulations for share awards for directors and other officers formulated by the Company. In principle, Directors, etc. will receive their payment of the Company's Shares, etc. at the time of their resignation as Directors, etc.

#### 2. Company's shares remaining with the Trust

The Company's shares remaining with the Trust are recorded as treasury shares in net assets, based on the book value given by the Trust (excluding the amount of ancillary expenses). The book value and the number of the said treasury shares as of the end of the previous fiscal year were ¥167 million and 148,900 shares, and as of the end of the current fiscal year were ¥322 million and 159,600 shares.

## (Segment information)

### 1. Information on the respective amounts of net sales, gain or loss, assets, and other items for each reportable segment

Previous fiscal year (From April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Reportable segment					Adjustment amount (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Clean Transport System	Motion Equipment	Power Electronics Equipment	Engineering & Service	Total		
Net sales							
Net sales to external customers	25,143	43,330	26,273	24,403	119,150	-	119,150
Internal net sales or transfer between segments	0	183	1,314	5,062	6,560	(6,560)	-
Total	25,143	43,514	27,587	29,465	125,711	(6,560)	119,150
Segment gain or loss	4,024	4,847	3,404	3,407	15,683	50	15,734
Segment assets	21,562	47,077	31,512	20,157	120,311	16,156	136,467
Other items							
Depreciation	712	1,220	870	175	2,978	-	2,978
Increase in property, plant and equipment and intangible assets	576	2,274	729	164	3,745	-	3,745

Notes: 1. The major details on the adjustment amount are as follows:

- (1) The adjustment amount for the segment gain or loss is based on inter-segment transaction eliminations, etc.
  - (2) The adjustment amount for segment assets includes the company-wide assets of ¥21,416 million, which does not belong to any reportable segment, and the inter-segment eliminations, etc. ¥(5,260) million.  
The company-wide assets include the Company's surplus funds (cash and deposits) and long-term investment funds (investment securities).
2. The segment gain or loss is adjusted with the operating profit or loss in the consolidated statement of income.

Current fiscal year (From April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Reportable segment					Adjustment amount (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Clean Transport System	Motion Equipment	Power Electronics Equipment	Engineering & Service	Total		
Net sales							
Net sales to external customers	28,029	50,731	25,090	24,346	128,197	-	128,197
Internal net sales or transfer between segments	-	260	1,211	5,550	7,022	(7,022)	-
Total	28,029	50,991	26,302	29,896	135,219	(7,022)	128,197
Segment gain or loss	4,797	6,864	3,280	3,697	18,639	(175)	18,464
Segment assets	21,871	59,435	31,289	21,123	133,719	25,020	158,740
Other items							
Depreciation	816	1,363	896	169	3,244	-	3,244
Increase in property, plant and equipment and intangible assets	587	7,961	1,197	87	9,835	-	9,835

Notes: 1. The major details on the adjustment amount are as follows:

- (1) The adjustment amount for the segment gain or loss is based on inter-segment transaction eliminations, etc.
  - (2) The adjustment amount for segment assets includes the company-wide assets of ¥26,986 million, which does not belong to any reportable segment, and the inter-segment eliminations, etc. ¥(1,965) million.  
The company-wide assets include the Company's surplus funds (cash and deposits) and long-term investment funds (investment securities).
2. The segment gain or loss is adjusted with the operating profit or loss in the consolidated statement of income.

**(Per-share information)**

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Amount of net assets per share	2,840.25 yen	3,505.37 yen
Profit per share or loss per share	428.87 yen	513.87 yen

Notes:

1. Diluted profit per share is not listed due to there being no potential shares.
2. The Company's shares remaining with the Board Benefit Trust (BBT) that are recorded as treasury shares in the shareholders' equity are included in the number of treasury shares deducted from the number of shares issued at end of period for the calculation of the amount of net assets per share. These shares are also included in the treasury shares deducted in the calculation of the average number of shares during the period for the calculation of profit or loss per share. For the calculation of the amount of net assets per share, the number of the said deducted treasury shares at end of period was 148,900 shares in the previous fiscal year and 159,600 shares in the current fiscal year. For the calculation of the profit or loss per share, the average number of the said deducted treasury shares during the period was 154,623 shares in the previous fiscal year and 148,338 shares in the current fiscal year.
3. The basis of calculation for the profit or loss per share is as follows:

Item	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025 to March 31, 2026)
Profit (loss) attributable to owners of parent (Millions of yen)	12,097	14,498
Amount not attributable to common shareholders (Millions of yen)	-	-
Profit (loss) attributable to owners of parent for common shares (Millions of yen)	12,097	14,498
Average number of common shares during the period (Thousands of shares)	28,207	28,214

**(Significant subsequent events)**

Not applicable.

Supplementary Information for the Financial Results of Fiscal Year Ended March  
2026 [Fiscal 2025] (Consolidated)

May 14, 2026  
SINFONIA TECHNOLOGY CO., LTD.

**1. Summary of operating results** (Unit: Millions of yen)

		Fiscal 2024	Fiscal 2025	YOY increase/decrease	
		(A)	(B)	(B) - (A)	Increase/Decrease rate
Net sales		119,150	128,197	9,047	7.6%
Operating profit	(%)	13.2%	14.4%	1.2pt	
		15,734	18,464	2,730	17.4%
Ordinary profit	(%)	13.4%	14.7%	1.3pt	
		15,941	18,793	2,851	17.9%
Profit attributable to owners of parent	(%)	10.2%	11.3%	1.1pt	
		12,097	14,498	2,401	19.9%

**2. Information by segment**

**(1) Net sales and operating profit** (Unit: Millions of yen)

		Fiscal 2024	Fiscal 2025	YOY increase/decrease	
		(A)	(B)	(B) - (A)	Increase/Decrease rate
Clean Transport System	Net sales	25,143	28,029	2,885	11.5%
	Operating profit	4,024	4,797	773	19.2%
Motion Equipment	Net sales	43,330	50,731	7,401	17.1%
	Operating profit	4,847	6,864	2,017	41.6%
Power Electronics Equipment	Net sales	26,273	25,090	(1,183)	(4.5)%
	Operating profit	3,404	3,280	(124)	(3.6)%
Engineering & Service	Net sales	24,403	24,346	(56)	(0.2)%
	Operating profit	3,407	3,697	289	8.5%
Adjustment amount	Net sales	-	-	-	-
	Operating profit	50	(175)	(226)	-
Total	Net sales	119,150	128,197	9,047	7.6%
	Operating profit	15,734	18,464	2,730	17.4%

**(2) Orders received** (Unit: Millions of yen)

	Fiscal 2024	Fiscal 2025	YOY increase/decrease	
	(A)	(B)	(B) - (A)	Increase/Decrease rate
Clean Transport System	26,096	28,586	2,490	9.5%
Motion Equipment	66,475	65,997	(477)	(0.7)%
Power Electronics Equipment	26,877	29,544	2,667	9.9%
Engineering & Service	24,126	34,803	10,676	44.3%
Total	143,577	158,932	15,355	10.7%

**(3)Balance of orders received**

(Unit: Millions of yen)

	Fiscal 2024 (A)	Fiscal 2025 (B)	YOY increase/decrease	
			(B) - (A)	Increase/Decrease rate
Clean Transport System	6,835	7,833	997	14.6%
Motion Equipment	64,137	79,403	15,265	23.8%
Power Electronics Equipment	32,333	36,787	4,454	13.8%
Engineering & Service	11,183	21,640	10,457	93.5%
Total	114,489	145,663	31,174	27.2%

**3. Overseas net sales**

(Unit: Millions of yen)

	Fiscal 2024 (A)	Fiscal 2025 (B)	YOY increase/decrease	
			(B) - (A)	Increase/Decrease rate
Overseas net sales	34,219	36,450	2,231	6.5%
Overseas net sales ratio (%)	28.7%	28.4%	(0.3)pt	

**4. Cash flows**

(Unit: Millions of yen)

	Fiscal 2024 (A)	Fiscal 2025 (B)	YOY increase/decrease	
			(B) - (A)	Increase/Decrease rate
Operating cash flow	11,373	12,909	1,535	13.5%
Investing cash flow	(1,915)	(6,466)	(4,550)	-
Free cash flow	9,458	6,442	(3,015)	(31.9)%
Financing cash flow	(8,964)	(5,651)	3,312	-
Cash and cash equivalents at end of period	10,221	11,618	1,397	13.7%

**5. Capital expenditures, depreciation, and research and development expenses**

(Unit: Millions of yen)

	Fiscal 2024 (A)	Fiscal 2025 (B)	YOY increase/decrease	
			(B) - (A)	Increase/Decrease rate
Capital expenditures	3,745	9,835	6,089	162.6%
Depreciation	2,978	3,244	266	9.0%
Research and development expenses	3,680	4,160	479	13.0%