

*** Notes**

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

(2) Application of special accounting methods in the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of issued shares (common stock)

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

As of Dec. 31, 2025:	18,098,923 shares	As of Mar. 31, 2025:	18,098,923 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2025:	1,224,441 shares	As of Mar. 31, 2025:	1,226,741 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2025:	16,873,595 shares	Nine months ended Dec. 31, 2024:	17,938,522 shares
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* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information currently available to the Company's management at the time the materials were prepared. As such, they do not constitute an assurance that the Company promises to achieve the future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 4 of the attachments "1. Overview of Results of Operations, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements."

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1. Overview of Results of Operations

(1) Overview of Results of Operations for the Period under Review

During the first nine months of the fiscal year ending March 31, 2026 (from April 1, 2025 through December 31, 2025; the “period under review”), the Japanese economy continued to grow moderately overall, supported by accommodative financial conditions, despite the impact of trade policies of various countries including U.S. tariff measures. On the other hand, overseas situations were highly uncertain amid the conditions where trade policies of various countries could depress the global economy through the impact on global trade activities and international financial and capital markets.

Against the backdrop of accommodative financial conditions, the business environment surrounding the Group saw a gradual increase in capital investments, except in the European market where economy continues to stagnate particularly in the mobility industry. Major factors include investments to address labor shortages, digital-related and AI-related investments, capital investments in electrical equipment and safety in the automotive industry, and the need for automation, efficiency, and quality improvement of manufacturing and production systems.

The Group provides technologies and ideas for designing and building users’ overall production systems. As a “line builder” that contributes to the efficiency and quality improvements of the entire production process, we also provide integrated production lines that meet each user’s specific needs and wants. The Group is working with users to develop cutting-edge equipment for their automation projects involving new products in response to new technological innovations, mainly in the mobility industry, where the scale of production equipment is becoming larger and the delivery times are becoming longer than in the past. In addition, we are working to secure superior ready-to-work human resources in niche industries through a “satellite strategy” aimed at securing ready-to-work human resources, such as by opening technical centers in locations where human resources we want to hire are gathered.

Our Group company NITTOKU SINGAPORE PTE. LTD. signed a joint venture agreement on the establishment of a joint venture in India with DAIICHI JITSUGYO CO., LTD. and completed the registration of a new local subsidiary in India on December 22, 2025 to improve business efficiency, increase profit, and strengthen competitiveness and sales activities in India, positioned as our global area strategy market, by leveraging each company’s business resources and know-how there. The joint venture in India is scheduled to be in full-scale operation starting from April, aiming to boost sales and improve profitability of our products by making use of DAIICHI JITSUGYO CO., LTD.’s wide network and sales force in India.

As announced on December 5, 2025, the Company concluded a basic agreement on sponsorship support with Kataoka Corporation for the purpose of turnaround support for Kataoka Corporation in civil rehabilitation proceedings, and our discussion is currently underway.

Under the above-mentioned circumstances, during the period under review, sales were strong overseas such as in the U.S., and projects involving new developments decreased in proportion, which led to a significant increase in sales and profit year on year.

On a non-consolidated basis, orders received increased by 13.0% year on year to 20,045 million yen. Meanwhile, net sales increased 68.5% year on year to 21,433 million yen, whereas order backlog decreased 7.8% year on year to 22,293 million yen on a non-consolidated basis.

In addition, for the period under review, the Group reported net sales of 30,463 million yen (up 41.4% year on year), operating profit of 4,177 million yen (up 725.2% year on year), ordinary profit of 4,291 million yen (up 593.6% year on year), and profit attributable to owners of parent of 2,510 million yen (up 205.2% year on year) on a consolidated basis.

In this business environment, results by business segment were as follows.

Winding System & Mechatronics Business

The Group has pursued a business model of providing a production system that helps users improve their competitive advantage in the global market. To this end, we provide a variety of production line construction by means of production systems that enable high-performance multi-axis synchronous control through the use of our proprietary OS, based on the technology to integrate multiple processes such as coil winding, handling, assembly,

and inspection on a transfer system. We must promptly cater to individual users' unique and diverse needs and wants. In doing so, we are striving to raise the barriers to entry for competitors and further improve our competitiveness and market presence by globally promoting our Black Ocean tactics—tactics to promote collaboration and co-creation with users and suppliers through open innovation in niche areas. As a result of such efforts, the Group has expanded its capabilities beyond the coil device and motor businesses into areas such as inspection handlers for the semiconductor industry, winders for the energy device industry, and high-speed intermittent film transfer equipment (roll-to-roll).

We are also striving to develop a motor for humanoid robots using our specialty small-sized precision coreless motors and DC brushless motors in their joints and fingertips, a rare earth-free ceramic motor considering geopolitical risks and environmental factors, a triple coil speaker and double coil earphones to accommodate advanced smartphone functionalities, a new vibration device, and new equipment for VCM coils.

As a result of the above, the Winding System & Mechatronics Business segment, which accounts for about 95% of the Group's total net sales, reported net sales of 28,948 million yen (up 43.3% year on year) and segment profit (operating profit) of 4,599 million yen (up 370.7% year on year) on a consolidated basis.

On a non-consolidated basis, orders received increased to 18,854 million yen (up 15.9% year on year), net sales increased to 19,931 million yen (up 75.5% year on year), and the order backlog at the end of the third quarter decreased to 21,928 million yen (down 6.7% year on year).

Contactless IC Tag & Card Business

Net sales of contactless IC cards increased 6.6% year on year to 1,201 million yen. Net sales of tags, such as FA and battery tags used to manage production lines, increased 91.5% year on year to 222 million yen, due to higher sales of FA tags for production line management reflecting increased demand for semiconductors.

As a result, consolidated net sales came in at 1,515 million yen (up 11.8% year on year), and segment profit (operating profit) came in at 488 million yen (up 41.5% year on year).

On a non-consolidated basis, orders received decreased to 1,191 million yen (down 18.7% year on year), net sales increased to 1,501 million yen (up 9.8% year on year), and the order backlog at the end of the third quarter decreased to 365 million yen (down 47.2% year on year).

(2) Overview of Financial Position for the Period under Review

1) Assets

Current assets decreased by 228 million yen from the end of the prior fiscal year to 41,298 million yen. This was mainly attributable to decreases of 1,461 million yen in notes and accounts receivable-trade and 427 million yen in electronically recorded monetary claims-operating, which were partially offset by an increase of 1,478 million yen in cash and deposits.

Non-current assets increased by 1,507 million yen from the end of the prior fiscal year to 20,395 million yen. This was mainly attributable to increases of 699 million yen in investment securities and 147 million yen in land.

As a result, total assets increased by 1,278 million yen from the end of the prior fiscal year to 61,693 million yen.

2) Liabilities

Current liabilities decreased by 360 million yen from the end of the prior fiscal year to 15,968 million yen. This was mainly attributable to a decrease of 1,664 million yen in contract liabilities, which was partially offset by an increase of 1,486 million yen in electronically recorded obligations-operating.

Non-current liabilities decreased by 1,341 million yen from the end of the prior fiscal year to 6,142 million yen. This was mainly attributable to a decrease of 1,598 million yen in long-term borrowings.

Consequently, total liabilities decreased by 1,701 million yen from the end of the prior fiscal year to 22,110 million yen.

3) Net assets

Total net assets increased by 2,979 million yen from the end of the prior fiscal year to 39,583 million yen.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements

The earnings forecasts are based on information available at the time of the release of this report. Actual results may differ from these forecasts for a number of reasons. Please refer to the “Notice of Revision of Earnings and Year-End Dividend Forecasts for the Fiscal Year Ending March 31, 2026,” announced today (on February 13, 2026; Japanese version only).

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

(Millions of yen)

	Prior fiscal year (As of Mar. 31, 2025)	Third quarter of current fiscal year (As of Dec. 31, 2025)
Assets		
Current assets		
Cash and deposits	14,907	16,385
Notes and accounts receivable-trade	8,147	6,686
Electronically recorded monetary claims-operating	1,609	1,182
Work in process	13,227	13,161
Raw materials and supplies	2,469	2,394
Other	1,238	1,507
Allowance for doubtful accounts	(73)	(19)
Total current assets	41,527	41,298
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,299	5,962
Machinery, equipment and vehicles, net	1,254	1,240
Land	3,878	4,025
Other, net	617	933
Total property, plant and equipment	12,050	12,162
Intangible assets		
Goodwill	211	170
Other	237	272
Total intangible assets	449	443
Investments and other assets		
Investment securities	2,999	3,699
Retirement benefit asset	700	715
Deferred tax assets	268	381
Other	2,419	2,992
Total investments and other assets	6,387	7,789
Total non-current assets	18,888	20,395
Total assets	60,415	61,693

	(Millions of yen)	
	Prior fiscal year (As of Mar. 31, 2025)	Third quarter of current fiscal year (As of Dec. 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	2,496	2,051
Electronically recorded obligations-operating	1,025	2,511
Income taxes payable	185	842
Contract liabilities	7,855	6,191
Provision for bonuses	748	500
Current portion of long-term borrowings	1,966	1,748
Other	2,050	2,122
Total current liabilities	16,328	15,968
Non-current liabilities		
Long-term borrowings	6,067	4,469
Retirement benefit liability	6	15
Deferred tax liabilities	902	1,256
Other	507	400
Total non-current liabilities	7,483	6,142
Total liabilities	23,812	22,110
Net assets		
Shareholders' equity		
Share capital	6,884	6,884
Capital surplus	2,562	2,589
Retained earnings	25,343	26,993
Treasury shares	(2,334)	(2,357)
Total shareholders' equity	32,456	34,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,099	1,511
Foreign currency translation adjustment	2,649	3,620
Remeasurements of defined benefit plans	183	102
Total accumulated other comprehensive income	3,933	5,233
Non-controlling interests	212	238
Total net assets	36,603	39,583
Total liabilities and net assets	60,415	61,693

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Nine-month Period)**

(Millions of yen)

	First nine months of prior fiscal year (Apr. 1, 2024–Dec. 31, 2024)	First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)
Net sales	21,551	30,463
Cost of sales	16,054	20,921
Gross profit	5,497	9,542
Selling, general and administrative expenses	4,991	5,364
Operating profit	506	4,177
Non-operating income		
Interest income	48	30
Dividend income	54	46
Foreign exchange gains	–	39
Insurance claim income	40	–
Other	96	100
Total non-operating income	239	216
Non-operating expenses		
Interest expenses	44	64
Foreign exchange losses	17	–
Company funeral-related expenses	40	–
Other	24	39
Total non-operating expenses	126	103
Ordinary profit	618	4,291
Extraordinary income		
Gain on sale of investment securities	428	–
Gain on sale of golf club membership	56	–
Total extraordinary income	485	–
Extraordinary losses		
Arbitration-related expenses	–	565
Total extraordinary losses	–	565
Profit before income taxes	1,103	3,725
Income taxes-current	286	1,114
Income taxes-deferred	4	99
Total income taxes	291	1,213
Profit	812	2,512
Profit (loss) attributable to non-controlling interests	(10)	1
Profit attributable to owners of parent	822	2,510

Quarterly Consolidated Statement of Comprehensive Income
(For the Nine-month Period)

(Millions of yen)

	First nine months of prior fiscal year (Apr. 1, 2024–Dec. 31, 2024)	First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)
Profit	812	2,512
Other comprehensive income		
Valuation difference on available-for-sale securities	(679)	411
Foreign currency translation adjustment	187	994
Remeasurements of defined benefit plans, net of tax	(78)	(81)
Total other comprehensive income	(570)	1,324
Comprehensive income	241	3,836
Comprehensive income attributable to:		
Owners of parent	260	3,810
Non-controlling interests	(19)	25

(3) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)

Not applicable.

Segment and Other Information

I. First nine months of prior fiscal year (Apr. 1, 2024–Dec. 31, 2024)

1. Information related to net sales and profit or loss for each reportable segment (Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Net sales			
External sales	20,196	1,355	21,551
Inter-segment sales and transfers	–	–	–
Total	20,196	1,355	21,551
Segment profit	977	345	1,322

2. Reconciliation of amounts shown on the quarterly consolidated statement of income with total profit or loss for reportable segments (Millions of yen)

Profit	Amount
Total for reportable segments	1,322
Corporate expenses (Note)	(816)
Operating profit on the quarterly consolidated statement of income	506

Note: Corporate expenses mainly include general and administrative expenses that cannot be attributed to any reportable segments.

II. First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)

1. Information related to net sales and profit or loss for each reportable segment (Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Net sales			
External sales	28,948	1,515	30,463
Inter-segment sales and transfers	–	–	–
Total	28,948	1,515	30,463
Segment profit	4,599	488	5,088

2. Reconciliation of amounts shown on the quarterly consolidated statement of income with total profit or loss for reportable segments (Millions of yen)

Profit	Amount
Total for reportable segments	5,088
Corporate expenses (Note)	(910)
Operating profit on the quarterly consolidated statement of income	4,177

Note: Corporate expenses mainly include general and administrative expenses that cannot be attributed to any reportable segments.

Notes to Statement of Cash Flows

Quarterly consolidated statement of cash flows has not been prepared for the first nine months of the current fiscal year. Depreciation (including amortization of intangible assets except goodwill) and amortization of goodwill for the first nine months of the prior and current fiscal years are as follows.

(Millions of yen)

	First nine months of prior fiscal year (Apr. 1, 2024–Dec. 31, 2024)	First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)
Depreciation	853	902
Amortization of goodwill	39	40

Revenue Recognition

Disaggregated information of revenue from contracts with customers

First nine months of prior fiscal year (Apr. 1, 2024–Dec. 31, 2024)

(Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Japan	7,940	1,355	9,295
China	3,504	–	3,504
Asia	2,873	–	2,873
U.S.	1,408	–	1,408
Americas (except U.S.)	369	–	369
Europe	4,100	–	4,100
Revenue from contracts with customers	20,196	1,355	21,551
Other revenue	–	–	–
External sales	20,196	1,355	21,551

Note: Net sales are classified by market based on the location of customers.

First nine months of current fiscal year (Apr. 1, 2025–Dec. 31, 2025)

(Millions of yen)

	Reportable segment		Total
	Winding System & Mechatronics Business	Contactless IC Tag & Card Business	
Japan	9,522	1,515	11,037
China	5,630	–	5,630
Asia	3,100	–	3,100
U.S.	8,873	–	8,873
Americas (except U.S.)	84	–	84
Europe	1,737	–	1,737
Revenue from contracts with customers	28,948	1,515	30,463
Other revenue	–	–	–
External sales	28,948	1,515	30,463

Note: Net sales are classified by market based on the location of customers.

From the period under review, revenue from the U.S., which had previously been included in “Americas,” has been presented separately due to its increased materiality.

To reflect this change in classification, the figures for the corresponding first nine months of the prior fiscal year have been reclassified.

Consequently, 1,777 million yen previously presented under “Americas” in the first nine months of prior fiscal year has been reclassified into “U.S.” of 1,408 million yen and “Americas (except U.S.)” of 369 million yen.

This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.