

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

Company name: Sanshin Electronics Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8150
 URL: <http://www.sanshin.co.jp>
 Representative: Toshiro Suzuki, Representative Director, CEO
 Inquiries: Jun-ichi Murakami, Director, Senior Executive Officer and Senior General Manager of Finance & Accounting Division
 Telephone: +81-3-3453-5111
 Scheduled date of annual general meeting of shareholders: June 19, 2026
 Scheduled date to commence dividend payments: June 22, 2026
 Scheduled date to file annual securities report: June 18, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

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.)

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	172,366	9.5	6,914	19.4	6,078	23.2	4,955	40.7
March 31, 2025	157,342	12.2	5,791	0.7	4,934	26.2	3,522	28.5

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥7,215 million [114.3%]
 For the fiscal year ended March 31, 2025: ¥3,366 million [(42.3)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	404.89	-	11.5	6.9	4.0
March 31, 2025	288.20	-	8.9	6.1	3.7

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	91,037	45,995	50.5	3,751.84
March 31, 2025	84,049	40,551	48.2	3,310.15

Reference: Equity
 As of March 31, 2026: ¥45,932 million
 As of March 31, 2025: ¥40,485 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	5,705	677	(6,593)	9,580
March 31, 2025	3,980	(2,221)	(1,111)	9,361

2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
March 31, 2025	-	30.00	-	105.00	135.00	1,667	47.4	4.2
March 31, 2026	-	40.00	-	150.00	190.00	2,347	47.4	5.4
March 31, 2027 (Forecast)		40.00		100.00	140.00		48.0	

Note: The dividend payout ratio is calculated by dividing the total dividends by net income attributable to owners of parent.

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	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
Six months ending September 30, 2026	83,000	(5.4)	1,600	(51.1)	1,300	(55.5)	1,000	(60.4)	81.68
Fiscal year ending March 31, 2027	186,000	7.9	5,550	(19.7)	5,000	(17.7)	3,600	(27.3)	294.05

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

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

As of March 31, 2026	16,281,373 shares
As of March 31, 2025	16,281,373 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2026	4,038,755 shares
As of March 31, 2025	4,050,682 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	12,237,972 shares
Fiscal year ended March 31, 2025	12,220,769 shares

Note: The number of treasury shares at the end of the fiscal year includes directors (excluding directors who are members of the Audit and Supervisory Committee and outside directors). The Company's shares (111,800 shares in the fiscal year ending March 31, 2026 and 123,800 shares in the fiscal year ending March 31, 2025) held by the trust related to the performance-linked stock-based compensation plan. In addition, the Company's shares held by the Trust are included in the treasury stock deducted in the calculation of the average number of shares during the period (116,468 shares in the fiscal year ending March 31, 2026 and 133,781 shares in the fiscal year ending March 31, 2025).

[Reference] Overview of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	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	124,021	9.3	3,435	54.5	4,876	36.5	4,488	42.7
March 31, 2025	113,427	20.0	2,223	48.9	3,572	2.3	3,145	8.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	366.78	-
March 31, 2025	257.42	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	63,292	24,947	39.4	2,037.78
March 31, 2025	58,352	21,870	37.5	1,788.20

Reference: Equity

As of March 31, 2026:	¥24,947 million
As of March 31, 2025:	¥21,870 million

Net income was 4,488 million yen due to strong performance in the solutions business against the backdrop of the DX promotion needs of companies and other organizations, as well as the recording of extraordinary income (gain on sale of fixed assets) associated with the transfer of land and buildings at the Osaka Branch.

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

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, contained in this material are forward-looking statements based on information available at the time of publication, and are not intended to be a promise by the Company to realize them. In addition, actual results may differ from forecasts due to various factors.

Matters related to earnings forecasts are referred to in Appendix P.4 "1. Please refer to "Summary of Business Results (4) Future Outlook".

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	9,361	9,680
Notes and accounts receivable - trade, and contract assets	38,533	42,387
Electronically recorded monetary claims - operating	2,095	2,235
Merchandise	19,750	20,966
Partly-finished work	5	4
Accounts receivable - other	112	67
Consumption taxes refund receivable	4,047	3,892
Other	1,000	1,401
Allowance for doubtful accounts	(29)	(17)
Total current assets	74,878	80,619
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,682	4,303
Accumulated depreciation	(3,572)	(3,317)
Buildings and structures, net	1,109	985
Land	4,760	4,700
Leased assets	255	644
Accumulated depreciation	(126)	(214)
Leased assets, net	129	430
Other	540	513
Accumulated depreciation	(472)	(435)
Other, net	67	78
Total property, plant and equipment	6,067	6,194
Intangible assets	247	386
Investments and other assets		
Investment securities	2,242	2,971
Deferred tax assets	85	50
Retirement benefit asset	353	642
Other	184	177
Allowance for doubtful accounts	(10)	(4)
Total investments and other assets	2,854	3,837
Total non-current assets	9,170	10,418
Total assets	84,049	91,037

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes payable - trade	10	-
Electronically recorded obligations - operating	745	1,546
Accounts payable - trade	14,802	18,394
Short-term borrowings	24,121	19,752
Lease liabilities	63	116
Income taxes payable	846	1,406
Provision for bonuses	622	681
Provision for bonuses for directors (and other officers)	53	57
Other	1,503	1,909
Total current liabilities	42,768	43,864
Non-current liabilities		
Lease liabilities	72	316
Deferred tax liabilities	420	621
Provision for share-based payments	130	131
Other	106	107
Total non-current liabilities	729	1,177
Total liabilities	43,497	45,042
Net assets		
Shareholders' equity		
Share capital	14,811	14,811
Capital surplus	16	16
Retained earnings	28,553	31,716
Treasury shares	(8,712)	(8,691)
Total shareholders' equity	34,668	37,852
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,038	1,535
Deferred gains or losses on hedges	26	(110)
Foreign currency translation adjustment	4,536	6,253
Remeasurements of defined benefit plans	215	401
Total accumulated other comprehensive income	5,816	8,079
Non-controlling interests	65	63
Total net assets	40,551	45,995
Total liabilities and net assets	84,049	91,037

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	157,342	172,366
Cost of sales	140,795	153,930
Gross profit	16,546	18,435
Selling, general and administrative expenses	10,755	11,520
Operating profit	5,791	6,914
Non-operating income		
Interest income	160	132
Dividend income	41	48
Other	119	114
Total non-operating income	322	295
Non-operating expenses		
Interest expenses	604	476
Foreign exchange losses	516	585
Other	58	69
Total non-operating expenses	1,179	1,132
Ordinary profit	4,934	6,078
Extraordinary income		
Gain on sale of non-current assets	0	1,082
Gain on sale of investment securities	73	-
Gain on sale of shares of subsidiaries and associates	2	-
Gain on extinguishment of tie-in shares	8	-
Total extraordinary income	85	1,082
Extraordinary losses		
Loss on retirement of non-current assets	-	0
Loss on sale of investment securities	70	-
Loss on valuation of investment securities	18	0
Loss due to bank transfer fraud at overseas subsidiary	-	267
Total extraordinary losses	89	268
Profit before income taxes	4,930	6,892
Income taxes - current	1,346	1,945
Income taxes - deferred	73	(5)
Total income taxes	1,420	1,939
Profit	3,510	4,952
Loss attributable to non-controlling interests	(12)	(2)
Profit attributable to owners of parent	3,522	4,955

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,510	4,952
Other comprehensive income		
Valuation difference on available-for-sale securities	24	496
Deferred gains or losses on hedges	89	(137)
Foreign currency translation adjustment	(397)	1,717
Remeasurements of defined benefit plans, net of tax	140	186
Total other comprehensive income	(143)	2,262
Comprehensive income	3,366	7,215
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,378	7,218
Comprehensive income attributable to non-controlling interests	(12)	(2)

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,811	16	26,266	(8,758)	32,335
Changes during period					
Dividends of surplus			(1,235)		(1,235)
Profit attributable to owners of parent			3,522		3,522
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				46	46
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,286	46	2,333
Balance at end of period	14,811	16	28,553	(8,712)	34,668

	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	1,014	(63)	4,933	74	5,959	77	38,373
Changes during period							
Dividends of surplus							(1,235)
Profit attributable to owners of parent							3,522
Purchase of treasury shares							(0)
Disposal of treasury shares							46
Net changes in items other than shareholders' equity	24	89	(397)	140	(143)	(12)	(155)
Total changes during period	24	89	(397)	140	(143)	(12)	2,178
Balance at end of period	1,038	26	4,536	215	5,816	65	40,551

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,811	16	28,553	(8,712)	34,668
Changes during period					
Dividends of surplus			(1,791)		(1,791)
Profit attributable to owners of parent			4,955		4,955
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				20	20
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,163	20	3,183
Balance at end of period	14,811	16	31,716	(8,691)	37,852

	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	1,038	26	4,536	215	5,816	65	40,551
Changes during period							
Dividends of surplus							(1,791)
Profit attributable to owners of parent							4,955
Purchase of treasury shares							(0)
Disposal of treasury shares							20
Net changes in items other than shareholders' equity	496	(137)	1,717	186	2,262	(2)	2,260
Total changes during period	496	(137)	1,717	186	2,262	(2)	5,444
Balance at end of period	1,535	(110)	6,253	401	8,079	63	45,995

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	4,930	6,892
Depreciation	290	308
Amortization of goodwill	26	16
Decrease (increase) in retirement benefit asset or liability	(62)	(23)
Increase (decrease) in allowance for doubtful accounts	(0)	(4)
Increase (decrease) in provision for share-based payments	26	21
Interest and dividend income	(202)	(181)
Interest expenses	604	476
Loss (gain) on sale of non-current assets	(0)	(1,082)
Loss (gain) on extinguishment of tie-in shares	(8)	-
Loss (gain) on sale of investment securities	(2)	-
Loss (gain) on valuation of investment securities	18	0
Loss (gain) on sale of shares of subsidiaries and associates	(2)	-
Decrease (increase) in trade receivables	(6,389)	(2,077)
Decrease (increase) in inventories	3,141	(577)
Increase (decrease) in trade payables	2,332	3,293
Decrease (increase) in consumption taxes refund receivable	778	154
Increase (decrease) in accrued consumption taxes	(21)	4
Other, net	(266)	167
Subtotal	5,192	7,388
Interest and dividends received	196	181
Interest paid	(605)	(477)
Income taxes paid	(802)	(1,386)
Net cash provided by (used in) operating activities	3,980	5,705
Cash flows from investing activities		
Net decrease (increase) in time deposits	-	(100)
Purchase of property, plant and equipment	(3,302)	(127)
Proceeds from sale of property, plant and equipment	-	1,154
Purchase of software	(65)	(247)
Proceeds from sale of investment securities	1,052	-
Proceeds from sale of shares of subsidiaries and associates	25	-
Other, net	67	(0)
Net cash provided by (used in) investing activities	(2,221)	677
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	204	(4,692)
Repayments of lease liabilities	(85)	(118)
Net decrease (increase) in treasury shares	(0)	(0)
Dividends paid	(1,230)	(1,782)
Net cash provided by (used in) financing activities	(1,111)	(6,593)
Effect of exchange rate change on cash and cash equivalents	(101)	429
Net increase (decrease) in cash and cash equivalents	545	219
Cash and cash equivalents at beginning of period	8,793	9,361
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	21	-
Cash and cash equivalents at end of period	9,361	9,580

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate performance.

The Company has established business divisions for each product and service, and each business division formulates a comprehensive strategy for the products and services it handles in Japan and overseas and develops business activities.

Accordingly, the Company is comprised of product and service segments based on business divisions, with two reporting segments: the Devices Business and the Solutions Business.

In addition to selling semiconductors (system LSIs, microcontrollers, power semiconductors, liquid crystal display driver ICs, memory, etc.) and electronic components (connectors, capacitors, LCD panels, modules, etc.) mainly to electronics manufacturers, the Device Business provides technical support such as software development and module development.

The Solutions Business contributes to value creation by providing network infrastructure and security products that use cloud services in an integrated manner from design and construction to operation and maintenance through offerings optimized for customer environments. In addition, we provide mission-critical business systems such as sales and production management, as well as applications such as human resources, payroll, and accounting, in various forms from on-premise to the cloud. In addition, we are accelerating our efforts in AI products and services, and are promoting the development of new fields and the development of DX human resources.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reported business segments is largely identical to the method for preparing consolidated financial statements.

Profit or loss for reporting segments is based on ordinary income and loss.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Device business	Solution business	Total		
Sales					
Revenues from external customers	139,269	18,072	157,342	-	157,342
Transactions with other segments	-	-	-	-	-
Total	139,269	18,072	157,342	-	157,342
Segment Profit	2,773	2,161	4,934	-	4,934
Segment Assets	62,541	8,943	71,485	12,564	84,049
Other items					
Depreciation and amortization (Note)3	221	69	290	-	290
Increase in property, plant and equipment and intangible assets	47	22	69	3,689	3,759

Note: 1 Adjustments to segment assets include the Company's surplus funds under management (cash and deposits and marketable securities), long-term investment funds (investment securities), and assets related to the management division.

2 Segment profit is adjusted to ordinary income in the consolidated statements of income.

3 Depreciation does not include amortization of goodwill.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments			Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
	Device business	Solution business	Total		
Sales					
Revenues from external customers	150,217	22,148	172,366	-	172,366
Transactions with other segments	-	-	-	-	-
Total	150,217	22,148	172,366	-	172,366
Segment Profit	2,694	3,384	6,078	-	6,078
Segment Assets	65,383	12,023	77,407	13,630	91,037
Other items					
Depreciation and amortization (Note)3	227	80	308	-	308
Increase in property, plant and equipment and intangible assets	101	51	152	683	835

Note: 1 Adjustments to segment assets include the Company's surplus funds under management (cash and deposits and marketable securities), long-term investment funds (investment securities), and assets related to the management division.

2 Segment profit is adjusted to ordinary income in the consolidated statements of income.

3 Depreciation does not include amortization of goodwill.