February 12, 2026

Name of Company KAGA ELECTRONICS CO., LTD.
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Notice Regarding Upward Revision to Forecasts for Full-Year Earnings and Dividends (Dividend Increase)

KAGA ELECTRONICS CO., LTD. (the “Company”) hereby announces that, at today's Board of Directors meeting, it has resolved to upwardly revise the consolidated earnings forecasts announced on November 6, 2025, for the full year ending March 31, 2026. The Company also has resolved to increase the year-end dividend forecasts.

Details are described as below.

1. Revisions to consolidated earnings forecasts

Revisions to consolidated earnings forecasts for the fiscal year ending March 31,2026 (from April 1, 2025 to March 31, 2026)

	Net Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Earnings per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A) (Announced on November 6, 2025)	595,000	25,500	25,500	26,000	524.78
Revised forecast (B)	620,000	27,000	28,000	28,500	575.24
Difference (B-A)	25,000	1,500	2,500	2,500	50.46
Percent change (%)	4.2%	5.9%	9.8%	9.6%	9.6%
(Reference) Results for the fiscal year ended March 31,2025*	547,779	23,601	22,593	17,083	325.08

Note: The Company conducted a two-for-one stock split of its common stock effective October 1, 2024. Earnings per share for the previous fiscal year is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

<Reasons for revision>

As disclosed in the “Summary of Consolidated Financial Results for the Third Quarter Ended December 31, 2025” announced today, the Company’s consolidated results for the period saw steady progress exceeding the internal plan, driven primarily by the electronic components and information equipment businesses. Furthermore, the Company has recently been receiving a large number of unexpected inquiries from customers who are facing difficulties in securing certain semiconductor products which are in the tight supply-demand balance.

With respect to the consolidated earnings forecast for the fiscal year ending March 31, 2026, in light of such factors as higher-than-projected third quarter performance in all business segments as well as unexpected orders that have already been confirmed at this point, the previous forecast has been revised upward to net sales of 25 billion yen and operating income of 1.5 billion yen. In addition, some items have been newly factored in, including a 1.0 billion yen improvement in non-operating income and expenses attributable primarily to foreign exchange gains and losses, as well as 0.6 billion yen in gain on sale of investment securities recorded under extraordinary income as part of our initiatives to reduce cross-shareholdings.

2. Revision of dividend forecast

Revision of the dividend forecast for the fiscal year ending March 31, 2026 （April 1, 2025 to March 31, 2026）

	Dividend per share		
	Q2	Year-end	Full year
	Yen	Yen	Yen
Previous forecast (Announced on August 7, 2025)		60.00 (Ordinary dividend 55.00) (Extraordinary dividend 5.00)	120.00 (Ordinary dividend 110.00) (Extraordinary dividend 10.00)
Revised forecast		**70.00** (Ordinary dividend 55.00) (Extraordinary dividend 15.00)	**130.00** (Ordinary dividend 110.00) (Extraordinary dividend 20.00)
Dividends for the current fiscal year	60.00 (Ordinary dividend 55.00) (Extraordinary dividend 5.00)		
Dividends for the previous fiscal year (Fiscal year ended March 31, 2025)	55.00	55.00	110.00

Note: The Company conducted a two-for-one stock split of its common stock effective October 1, 2024. Although the interim dividend per share for the previous fiscal year was 110 yen, the above table is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

＜Reasons for revision＞

The Medium-Term Management Plan 2027 for fiscal years 2025-2027, formulated in November 2024, outlines the concept of actively allocating cash we generate to growth investments and shareholder returns while maintaining financial discipline. The plan also establishes a basic shareholder return policy, setting a consolidated dividend payout ratio of 30%-40% and a DOE of 4.0% as targets for proactively and sustainably paying dividends, and flexibly acquiring the Company’s own shares according to profit levels and capital efficiency.

Taking into account the above policy and the upward revision to the consolidated earnings forecast as explained above, the dividend forecast for the fiscal year ending March 31, 2026 has been revised upward, by increasing the year-end dividend to 70 yen per share with an addition of 10 yen as special dividend to the previous forecast of 60 yen per share. As a result, the annual dividend including the interim dividend will be 130 yen per share, an increase of 20 yen from the dividend paid in the previous fiscal year.

【Reference: Revision of other related indicators】

	Capital efficiency	Shareholder Returns		
	ROE	Consolidated dividend payout ratio	DOE	Total return ratio
Previous forecast [After adjustment for the gain on bargain purchase]	15.0%	22.9% [31.6%]	3.9% [4.0%]	77.6%
Revised forecast [After adjustment for the gain on bargain purchase]	16.5%	22.6% [30.8%]	4.2% [4.3%]	72.4%
(Reference) Results for the fiscal year ended March 31,2025	10.8%	33.8%	4.2%	33.8%
Medium-Term Management Plan 2027 Targets (Announced on November 6, 2024)	12.0% or higher	30%~40%	4.0%	–

The latest consolidated earnings forecast incorporates 7.6 billion yen gain on bargain purchase associated with the integration of Kyoei Sangyo Co., Ltd. as a consolidated subsidiary following the tender offer for its common shares executed in July 2025. While the table above presents shareholder return indicators for reference, the consolidated dividend payout ratio would be 30.8% and DOE 4.3% if the dividend forecast after the upward dividend revision is recalculated to reflect revision to income on a real basis, excluding the gain on bargain purchase that does not involve a cash-in. Meanwhile, the total return ratio would come to 72.4% if the repurchase and cancellation of own shares conducted in August 2025 (14.4 billion yen in acquisition amount for a total of 4,920,000 shares acquired) are taken into account.

(Note) The above forecasts are based on the information currently available to the Company on the date of the release and certain assumptions deemed reasonable. Actual results may vary from the forecast for a variety of reasons.