FY2026/March H1 (April-September) Financial Results Briefing Material

KAGA ELECTRONICS CO., LTD.

TSE Prime Market 8154

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JPX-NIKKEI 400
2023 - 2025

JPX-NIKKEI Mid Small
2021 - 2025

INDEX

Summary of Financial Results for FY2026/3 H1

KAGA ELECTRONICS

Results for FY2026/3 H1 (April - September)

(billion yen)	Net Sales	Operating income	Net income
H1 Results	**288.9**	**13.0**	**15.0**
YoY	+29.9	+1.5	+7.0

- **All items, from net sales to net income, increased year on year. The upward momentum continues.**
- Net sales : Electronic components (EMS business), information equipment (PC and software product sales), and others (amusement equipment sales) business all maintained robust performance, contributing to a year-on-year increase in net sales. In addition, Kyoei Sangyo was consolidated from Q2 (Jul.-Sep.).
- Operating income : **The increase in gross profit, attributable to higher net sales and improved income margin**, exceeded the increase in SG&A expenses that resulted from increased sales and corporate acquisition, leading to a year-on-year increase in operating income
- While corporate acquisition contributed to revenue growth, **increase in both net sales and income were achieved even excluding the impact of the acquisition**.

FY2026/3 earnings forecast

(billion yen)	Net Sales	Operating income	Net income
Revised forecasts	**595.0**	**25.5**	**26.0**
vs. previous forecasts	+21.0	+1.5	+1.8
YoY	+47.2	+1.8	+8.9

- In light of solid performance progress made through H1, **an upward forecast revision was made for the second time this fiscal year, across all levels from net sales to net income.**
- Net income incorporates 7.2 billion yen in gain on bargain purchase associated with the acquisition.

Shareholder Return

- **Maintaining the previous forecast of 120 yen per share in annual dividend, consisting of an interim and year-end dividend of 60 yen each (a 10 yen increase from the previous fiscal year)**

*A two-for-one stock split was executed in October 2024. Up 10 yen from the previous fiscal year is calculated after adjustment for the stock split.

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I am Ishihara of Kaga Electronics.
Thank you very much for your continued support and thank you for watching our financial results briefing today.
I would like to present an overview of our financial results for the first half of the fiscal year ending March 31, 2026.

These are the results for the first half of the fiscal year ending March 31, 2026.
Net sales increased by 29.9 billion yen year on year to 288.9 billion yen.
Sales increased for the electronic components business, primarily in the EMS business, thanks to indications of a recovery after the inventory adjustments carried out by major customers. Information equipment also continued to perform strongly, mainly thanks to PC and security software product sales, as did others, such as sales of amusement equipment to the U.S.
Kyoei Sangyo Co., Ltd. Also joined the Group in the second quarter, contributing to the increase in revenue.
Operating income increased by 1.5 billion yen year on year to 13.0 billion yen.
The gross profit margin improved by 0.5 percentage points to 13.7% thanks to a better sales mix, in addition to the increase in sales. This

resulted in a year-on-year increase in gross profit of 5.4 billion yen. This increase in gross profit more than compensated for factors such as an increase in variable expenses due to the increase in sales, as well as an increase in SG&A expenses due to the consolidation of Kyoei Sangyo, leading to a year-on-year increase in operating income. The operating income margin also improved by 0.1 percentage point year on year. Ordinary income increased by 2.1 billion yen from the previous year to 13.4 billion yen thanks to an improvement in non-operating income and expenses resulting from factors such as a decrease in foreign exchange losses. Profit attributable to owners of parent increased by 7.0 billion yen year on year to 15.0 billion yen, partly thanks to the recording of a gain on bargain purchase associated with the corporate acquisition and a gain on sale of investment securities. As in the first quarter, we achieved an increase across all revenue and income items, from net sales and gross profit to profit attributable to owners of parent. Even excluding the boost in performance from the acquisition of Kyoei Sangyo and the gain on bargain purchase, we still ended the period with year-on-year increases in both net sales and income.

Next, I will explain the full year earnings forecast for the fiscal year ending March 31, 2026.
On August 7, 2025, with the inclusion of Kyoei Sangyo in the Group, we announced an upward revision to our earnings forecast, reflecting the outlook for Kyoei Sangyo from the second quarter onward, as well as the gain on bargain purchase associated with this corporate acquisition.
This was the second upward revision in the earnings forecast this fiscal year, reflecting the strong earnings progress during the first half. We expect net sales and operating income to be 21.0 billion yen and 1.5 billion yen, respectively, higher than the previous forecast.
After this revision, we forecast a full-year increase in both net sales and income, with net sales of 595.0 billion yen, up 47.2 billion yen year on year, operating income of 25.5 billion yen, up 1.8 billion yen year on year, and net income of 26.0 billion yen, up 8.9 billion yen year on year.

I will now explain our shareholder returns.
On August 7 of this year, we revised our dividend forecast for the fiscal year ending March 31, 2026, upward from 110 yen to 120 yen per share, reflecting the upward revision in our earnings forecast.
As of the first half of the fiscal year, we have left our annual dividend forecast unchanged at 120 yen per share.

Financial Highlights for FY2026/3 H1

KAGA ELECTRONICS

(million yen)		H1 Results (April - September) FY2025/3	Composition Ratio	FY2026/3	Composition Ratio	YoY	Forecasts (Announced on August 7, 2025) FY2026/3	Composition Ratio	Progress rate
Net Sales		259,064	100.0%	**288,959**	100.0%	11.5%	574,000	100.0%	50.3%
Gross Profit		34,133	13.2%	**39,544**	13.7%	15.9%	–	–	–
SG&A		22,631	8.7%	**26,495**	9.2%	17.1%	–	–	–
Operating income		11,501	4.4%	**13,049**	4.5%	13.5%	24,000	4.2%	54.4%
Ordinary income		11,278	4.4%	**13,443**	4.7%	19.2%	23,800	4.1%	56.5%
Profit attibutable to owners of parent		7,941	3.1%	**15,033**	5.2%	89.3%	24,200	4.2%	62.1%
EPS (yen)		151.15	–	**293.86**	–	94.4%	488.45	–	–
Exchange rate	yen / US$	152.63	–	**146.04**	–	–	140.00	–	–

Note: 1. The effect of exchange rates on the conversion into yen is approximately -4,606 million yen on net sales and -102 million yen on operating income.
2. The Company conducted a two-for-one stock split of its common stock effective October 1, 2024. EPS for the previous fiscal year is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

The financial highlights on the next page are as I have just explained.
Earnings per share (EPS) for the first half of this fiscal year amounted to 293.86 yen, an increase of 94.4% year-on-year.
The average exchange rate during the first half was 146.04 yen against the U.S. dollar, which represents an appreciation of 6.59 yen per dollar from the previous year's level of 152.63 yen.
However, the yen currently remains weaker than the assumed exchange rate of 140 yen in the full year earnings forecast.
The year-on-year impact of exchange rate fluctuations was a decrease in net sales of approximately 4.6 billion yen and a decrease in operating income of approximately 0.1 billion yen. We achieved an increase in net sales and income despite these negative factors.

Results for FY2026/3 H1 by Business Segment

KAGA ELECTRONICS

(million yen)		H1 Results (April - September) FY2025/3	profit margin	FY2026/3	profit margin	YoY	Forecasts (Announced on August 7, 2025) FY2026/3	profit margin	Progress rate
Electronic Component	Net sales	225,866		**247,788**		9.7%	501,000		49.5%
	Segment income	8,679	3.8%	**8,967**	3.6%	3.3%	17,500	3.5%	51.2%
Information Equipment	Net sales	18,633		**21,571**		15.8%	45,000		47.9%
	Segment income	1,392	7.5%	**1,616**	7.5%	16.1%	3,500	7.8%	46.2%
Software	Net sales	1,471		**1,679**		14.1%	3,000		56.0%
	Segment income	256	17.4%	**165**	9.8%	-35.6%	500	16.7%	33.1%
Others	Net sales	13,093		**17,919**		36.9%	25,000		71.7%
	Segment income	1,094	8.4%	**2,122**	11.8%	94.0%	2,500	10.0%	84.9%
Total	Net sales	259,064		**288,959**		11.5%	574,000		50.3%
	Segment income	11,501	4.4%	**13,049**	4.5%	13.5%	24,000	4.2%	54.4%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

These are the results by business segment.
The electronic components business recorded net sales of 247.7 billion yen, up 21.9 billion yen year on year, and segment income of 8,967 million yen, up 288 million yen. The mainstay components sales business saw a year-on-year increase in both net sales and income amid indications of a recovery after the inventory adjustments in the supply chain, which it was feared would persist long-term, as well as the effect of the acquisition of Kyoei Sangyo. The EMS business also saw an increase in both net sales and income thanks to a continued strong performance from products for medical equipment, air-conditioning equipment, and industrial equipment, despite a decline in demand from some customers.

The information equipment business recorded net sales of 21,571 million yen, up 2.9 billion yen year on year, and segment income of 1,616 million yen, up 224 million yen. Sales of PCs for educational institutions performed strongly thanks to factors such as an increase in sales volume. Sales to mass retailers were strong, boosted by replacement demand associated with the end of support for Windows 10, in addition to the enhancement of major PC suppliers' product lineups.
Sales were also high for relatively profitable security software,

contributing to an increase in income.
The LED installation business and the electric facility work business, including solar panels, also performed well.

Net sales in the software business recovered to 1,679 million yen, up 0.2 billion yen year on year, due to our efforts to expand orders for computer graphics production for games and amusement equipment. However, despite eliminating the segment operating loss recorded in the first quarter, segment income decreased year on year.

In the others business, the amusement equipment business continued to experience the vigorous demand seen in the previous fiscal year, maintaining its strong sales performance in Japan and the U.S. The PC product and PC peripheral recycling business also performed strongly.
As a result, net sales increased by 4.8 billion yen year on year to 17,919 million yen, segment income increased by 1.0 billion yen to 2,122 million yen, and segment income margin increased from 8.4% to 11.8%.

Please also refer to pages 8 and 9, which contain information by business segment.

Results for FY2026/3 H1 by Company

KAGA ELECTRONICS

H1 Results (April - September)

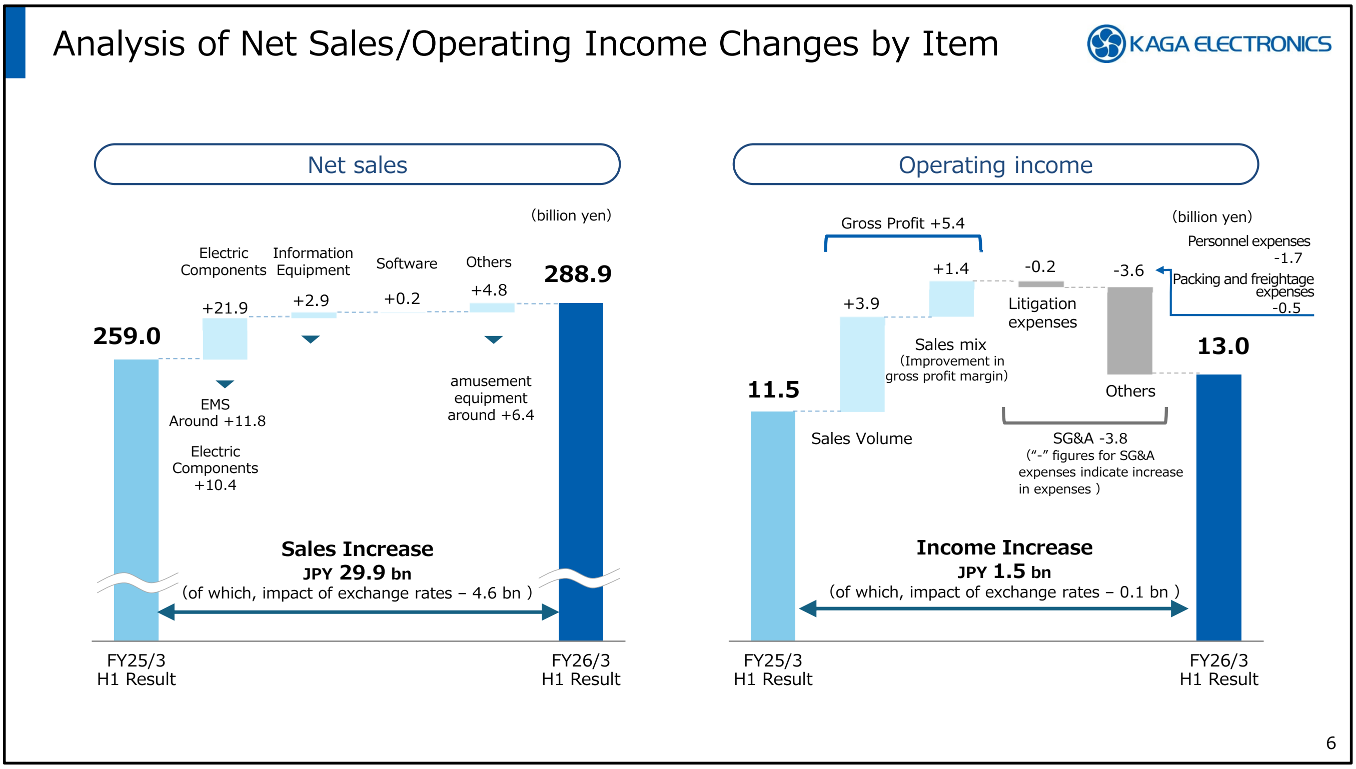
(million yen)		FY2025/3	Composition Ratio	FY2026/3	Composition Ratio	YoY
Kaga Electronics	Net sales	148,154	100.0%	**164,858**	100.0%	11.3%
	Gross Profit	23,685	16.0%	**26,947**	16.3%	13.8%
	Operating income	9,689	6.5%	**11,121**	6.7%	14.8%
Kaga FEI	Net sales	96,783	100.0%	**97,943**	100.0%	1.2%
	Gross Profit	8,678	9.0%	**8,873**	9.1%	2.2%
	Operating income	991	1.0%	**1,022**	1.0%	3.1%
Excel	Net sales	14,127	100.0%	**13,028**	100.0%	-7.8%
	Gross Profit	1,735	12.3%	**1,670**	12.8%	-3.7%
	Operating income	693	4.9%	**647**	5.0%	-6.7%
Kyoei Sangyo	Net sales	–	–	**13,128**	100.0%	–
	Gross Profit	–	–	**2,058**	15.7%	–
	Operating income	–	–	**187**	1.4%	–
Total	Net sales	259,064	100.0%	**288,959**	100.0%	11.5%
	Gross Profit	34,133	13.2%	**39,544**	13.7%	15.9%
	Operating income	11,501	4.4%	**13,049**	4.5%	13.5%

Note : 1.With respect to gross profit and operating income, figures presented above are before consolidation adjustments between the four companies.
2. Kyoei Sangyo became a consolidated subsidiary effective July 18, 2025.

Next, I will explain our performance by company.
In the Kaga Electronics Group, net sales increased by 16.7 billion yen year on year. This was mainly thanks to indications of a recovery after the supply chain inventory adjustments in the electronic components business, strong sales of products for medical devices, air-conditioning equipment, and industrial equipment in the EMS business, and the continued strong performance of amusement equipment in the others business. The gross profit margin improved by 0.3 percentage points due to a better sales mix, in addition to the increase in sales, resulting in a year-on-year increase of 3.2 billion yen in gross profit. Operating income also came in 1.4 billion yen higher year on year, with higher gross profit offsetting an increase in SG&A expenses due to the impact of rising personnel expenses and logistics costs.
Likewise, in the Kaga FEI Group, net sales increased by 1.1 billion yen year on year, the gross profit margin increased by 0.1 percentage point thanks to an improved sales mix, and gross profit increased by approximately 0.2 billion yen. Despite an increase in SG&A expenses due to an increase in litigation expenses, as well as personnel expenses and logistics costs, operating income also increased year on year, albeit only slightly.
In the Excel Group, we were able to increase the gross profit margin by

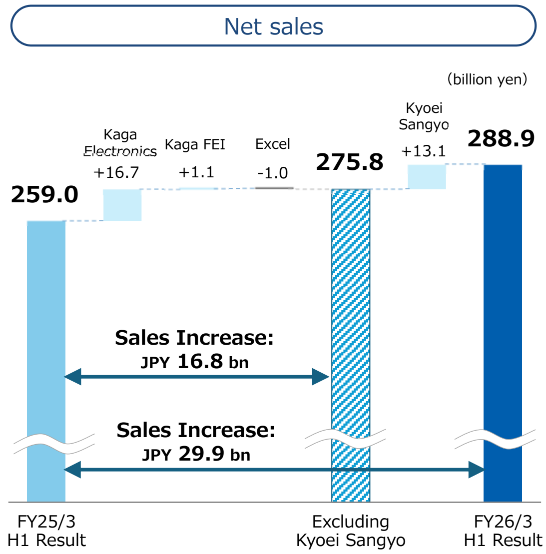
0.5 percentage points year on year through an improved sales mix, but the decrease of 1.0 billion yen in net sales resulted in a slight decrease in operating income.
The Kyoei Sangyo Group, which joined the Group from the second quarter, recorded net sales of 13.1 billion yen, gross profit of 2.0 billion yen, and operating income of 187 million yen during these three months, contributing to the increase in consolidated net sales and income.

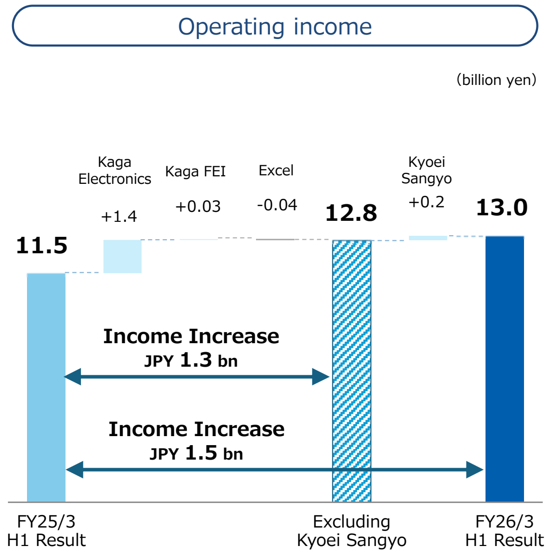
The quarterly information for the last three months is presented on pages 10 to 12.
The figures for the second quarter include the results for the Kyoei Sangyo Group, which helped to boost net sales and income, but even without including these results, the increase in consolidated net sales and income seen in the first quarter has continued over the past three months. Please also see this information.



I will now explain the factors behind the year-on-year changes in net sales and operating income.
Net sales increased across all business segments, including an increase of 21.9 billion yen in the electronic components business, where there were indications of a recovery after inventory adjustments in component sales and a strong performance from the EMS business, as well as an increase of 6.4 billion yen in the amusement equipment business, which has maintained strong sales in Japan and the U.S. These increases were more than enough to compensate for the negative impact of 4.6 billion yen due to exchange rate movements, and total net sales increased by 29.9 billion yen year on year.
Operating income increased by 1.5 billion yen from the previous year. Although SG&A expenses increased by 3.8 billion yen year on year due to factors such as an increase of 0.2 billion yen in litigation expenses at Kaga FEI and the increase in rising personnel expenses and logistics costs including expenses associated with the addition of Kyoei Sangyo to the Group, this was compensated for by an increase of 5.4 billion yen in gross profit thanks to the increase in sales volume and the improvement in gross profit margin resulting from an improved sales mix.
Please also see the information for each company on page 7.

Analysis of Net Sales/Operating Income Changes by Company



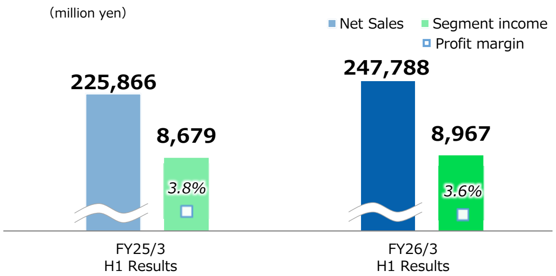


Note：With respect to gross profit and operating income, figures presented above are before consolidation adjustments between the four companies.

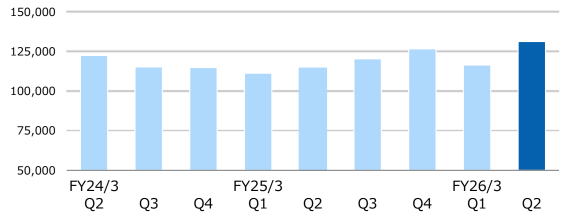
FY2026/3 H1: Electronic Component Segment

(million yen)	H1 Results (April - September) FY2025/3	FY2026/3	YoY	
Net Sales	225,866	**247,788**	21,922	9.7%
Segment income	8,679	**8,967**	288	3.3%
Profit margin	3.8%	**3.6%**	-0.2pt	

Net sales/Segment income



Quarterly Net Sales Trends (3months)



Main factors behind increase/decrease

Components sales business	(+) Kyoei Sangyo was consolidated from Q2 (Jul.-Sep.) (+) Expand sales of new products (−) Prolonged inventory adjustment at some customers As a result, net sales and income both increased year-on-year
EMS Business	(+) Robust sales to medical and industrial equipment sectors (+) Continued recovery trend in sales to air-conditioning equipment sector (−) Demand decrease at some customers of the automotive sector and office equipment As a result, net sales and income both increased year-on-year

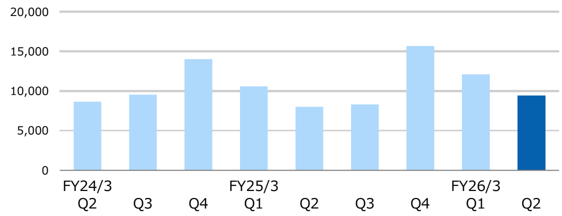
FY2026/3 H1: Information Equipment Segment

KAGA ELECTRONICS

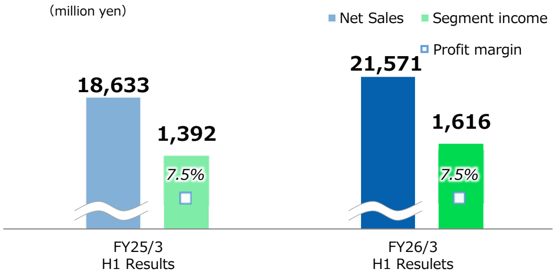
H1 Results (April - September)

(million yen)	FY2025/3	FY2026/3	YoY	
Net Sales	18,633	**21,571**	2,938	15.8%
Segment income	1,392	**1,616**	224	16.1%
Profit margin	7.5%	**7.5%**	+0.0pt	

Quarterly Net Sales Trends (3months)



Net sales/Segment income



Main factors behind increase/decrease

PC sales business	(+) Strong sales of PCs for educational institutions amid the season of high demand for newly enrolled students (+) Recovery of sales of PCs for mass retailers due to expansion of product lines by a major PC supplier (+) Strong sales of the comparatively high-margin security software products As a result, net sales and income both increased year-on-year
Electrical and telecommunication equipment installation business	(+) Strong performance of LED installation for major convenience store chain (+) Increased orders received for electric facility (electricity substations, solar panels) work (−) Increase in SG&A expenses due to bolstering of construction personnel as an advance investment As a result, net sales and income both increased year-on-year

Financial Highlights for FY2026/3 Q2 (3 months)

Reference KAGA ELECTRONICS

(million yen)		Q2 Results (July - September) FY2025/3	Composition Ratio	Q1 Results (April - June) FY2026/3	Composition Ratio	Q2 Results (July - September) **FY2026/3**	Composition Ratio	YoY	QoQ
Net Sales		130,426	100.0%	138,086	100.0%	**150,872**	100.0%	15.7%	9.3%
Gross Profit		17,152	13.2%	18,440	13.4%	**21,104**	14.0%	23.0%	14.4%
SG&A		11,200	8.6%	11,956	8.7%	**14,539**	9.6%	29.8%	21.6%
Operating income		5,951	4.6%	6,484	4.7%	**6,564**	4.4%	10.3%	1.2%
Ordinary income		5,232	4.0%	6,242	4.5%	**7,200**	4.8%	37.6%	15.3%
Profit attibutable to owners of parent		3,814	2.9%	4,614	3.3%	**10,419**	6.9%	173.1%	125.8%
EPS (yen)		72.59	–	87.80	–	**207.91**	–	–	–
Exchange rate	yen / US$	152.63	–	144.59	–	**146.04**	–	–	–

Note: 1. The effect of exchange rates on the conversion into yen is approximately -2,411 million yen on net sales and -73 million yen on operating income.
2. The Company conducted a two-for-one stock split of its common stock effective October 1, 2024. EPS for the previous fiscal year is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

Results for FY2026/3 Q2 by Business Segment

Reference KAGA ELECTRONICS

(million yen)		Q2 Results (July - September) FY2025/3	profit margin	Q1 Results (April - June) FY2026/3	profit margin	Q2 Results (July - September) **FY2026/3**	profit margin	YoY	QoQ
Electronic Component	Net sales	114,545		116,456		**131,332**		14.7%	12.8%
	Segment income	4,348	3.8%	4,227	3.6%	**4,740**	3.6%	9.0%	12.1%
Information Equipment	Net sales	8,026		12,116		**9,454**		17.8%	-22.0%
	Segment income	753	9.4%	821	6.8%	**795**	8.4%	5.7%	-3.1%
Software	Net sales	840		591		**1,087**		29.4%	84.0%
	Segment income	221	26.3%	-42	-7.2%	**207**	19.1%	-6.1%	–
Others	Net sales	7,013		8,921		**8,997**		28.3%	0.8%
	Segment income	633	9.0%	1,362	15.3%	**760**	8.5%	20.1%	-44.2%
Total	Net sales	130,426		138,086		**150,872**		15.7%	9.3%
	Segment income	5,951	4.6%	6,484	4.7%	**6,564**	4.4%	10.3%	1.2%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

Results for FY2026/3 Q2 by Company

Reference

(million yen)		Q2 Results (July - September) FY2025/3	Composition Ratio	Q1 Results (April - June) FY2026/3	Composition Ratio	Q2 Results (July - September) FY2026/3	Composition Ratio	YoY	QoQ
Kaga Electronics	Net sales	74,532	100.0%	82,631	100.0%	**82,227**	100.0%	10.3%	-0.5%
	Gross Profit	12,089	16.2%	13,294	16.1%	**13,652**	16.6%	12.9%	2.7%
	Operating income	5,266	7.1%	5,799	7.0%	**5,322**	6.5%	1.1%	-8.2%
Kaga FEI	Net sales	48,119	100.0%	48,835	100.0%	**49,108**	100.0%	2.1%	0.6%
	Gross Profit	4,062	8.4%	4,327	8.9%	**4,546**	9.3%	11.9%	5.1%
	Operating income	160	0.3%	366	0.8%	**655**	1.3%	309.5%	78.7%
Excel	Net sales	7,774	100.0%	6,620	100.0%	**6,408**	100.0%	-17.6%	-3.2%
	Gross Profit	949	12.2%	813	12.3%	**857**	13.4%	-9.7%	5.3%
	Operating income	424	5.5%	278	4.2%	**369**	5.8%	-13.1%	32.8%
Kyoei Sangyo	Net sales	–	–	–	–	**13,128**	100.0%	–	–
	Gross Profit	–	–	–	–	**2,058**	15.7%	–	–
	Operating income	–	–	–	–	**187**	1.4%	–	–
Total	Net sales	130,426	100.0%	138,086	100.0%	**150,872**	100.0%	15.7%	9.3%
	Gross Profit	17,152	13.2%	18,440	13.4%	**21,104**	14.0%	23.0%	14.4%
	Operating income	5,951	4.6%	6,484	4.7%	**6,564**	4.4%	10.3%	1.2%

Note: 1. With respect to gross profit and operating income, figures presented above are before consolidation adjustments between the four companies.
2. Kyoei Sangyo became a consolidated subsidiary effective July 18, 2025.

Summary of Balance Sheet

KAGA ELECTRONICS

(million yen)	2025/3	2025/9	Change from end of FY2025/3
ASSETS			
Current assets	**257,164**	**269,939**	**+12,775**
Cash and deposits	80,188	73,217	-6,971
Notes and accounts receivable -trade	114,139	119,421	+5,282
Inventories	51,774	66,468	+14,694
Other	11,061	10,832	-229
Non-current assets	**48,507**	**57,097**	**+8,590**
Property, plant and equipment	28,445	30,087	+1,641
Buildings and structures	9,839	10,896	+1,057
Machinery, equipment and vehicles	11,034	10,965	-68
Tools, furniture and fixtures	1,217	1,266	+48
Land	5,940	6,120	+179
Construction in progress	413	837	+424
Intangible assets	1,738	1,879	+141
Software	1,694	1,839	+145
Other	44	40	-3
Investments and other assets	18,323	25,130	+6,807
Total assets	**305,671**	**327,037**	**+21,365**

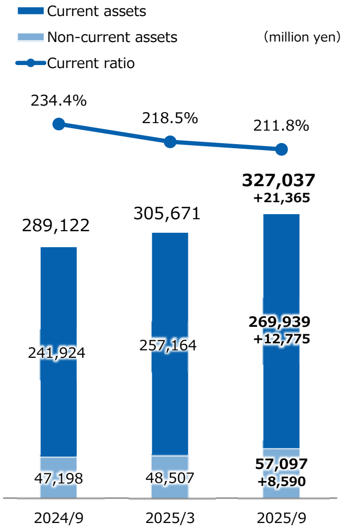
(million yen)	2025/3	2025/9	Change from end of FY2025/3
LIABILITIES			
Current liabilities	**117,704**	**127,457**	**+9,752**
Notes and accounts payable -trade	73,340	74,584	+1,244
Short-term loans payable	14,890	27,235	+12,344
Current portion of bonds payable	5,000	200	-4,800
Other	24,473	25,437	+963
Non-current liabilities	**21,587**	**26,729**	**+5,141**
Bonds payable	5,000	5,300	+300
Long-term loans payable	5,500	8,508	+3,008
Other	11,087	12,921	+1,833
Total liabilities	**139,292**	**154,186**	**+14,894**
NET ASSETS			
Shareholders' equity	142,993	140,743	-2,250
Capital stock	12,133	12,133	–
Capital surplus	14,885	14,767	-118
Retained earnings	121,553	123,749	+2,196
Treasury shares	-5,579	-9,907	-4,327
Total accumulated other comprehensive income	23,225	23,100	-125
Non-controlling interests	160	9,007	+8,847
Total net assets	**166,379**	**172,851**	**+6,471**
Total liabilities and net assets	**305,671**	**327,037**	**+21,365**

I will now move on to the balance sheet.
Both assets and liabilities increased in the second quarter from the end of the previous fiscal year due to the inclusion of figures for the Kyoei Sangyo Group.

Balance Sheet Main Items

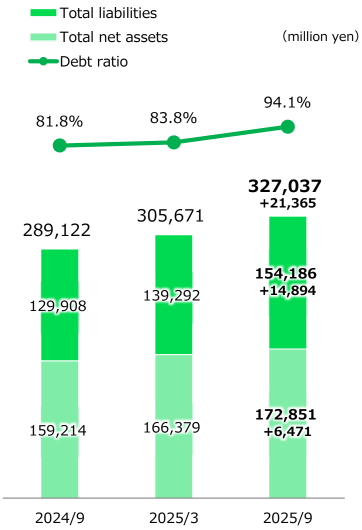
KAGA ELECTRONICS

Total assets



Note: Current ratio = Current asset ÷ current liabilities

Total liabilities and net assets



Note: Debt ratio = Total liabilities ÷ Equity capital × 100

Main balance sheet changes

■ Current assets
(+) 13,392 million yen increase in merchandise and finished goods

■ Non-current assets
(+) 5,056 million yen increase in Investment securities
(+) 1,641 million yen increase in Property, plant and equipment

■ Liabilities
(+) 12,344 million yen increase in Short-term loans payable

■ Net assets
(+) 8,847 million yen increase in Non-controlling interests

I will start with assets.
Current assets increased by 12.7 billion yen from the end of the previous fiscal year to 269.9 billion yen, mainly due to increases in inventories and notes and accounts receivable – trade associated with the inclusion of Kyoei Sangyo in the Group. This was despite a decrease of 6.9 billion yen in cash and deposits, mainly due to the implementation of shareholder returns through the acquisition of treasury shares based on our capital policy and the redemption of bonds.

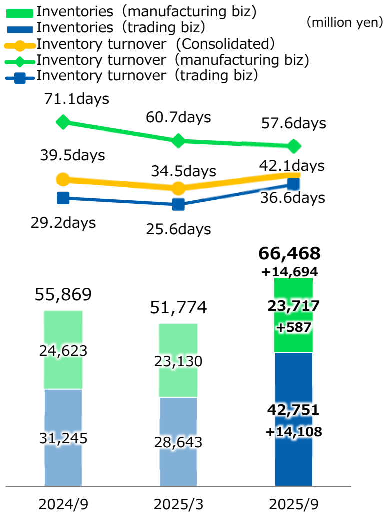
Non-current assets totaled 57.0 billion yen, up 8.5 billion yen from the end of the previous fiscal year due to increases in property, plant and equipment, investment securities, and other items resulting from capital investment in overseas factories and the consolidation of Kyoei Sangyo.
Total assets amounted to 327.0 billion yen, up 21.3 billion yen from the end of the previous fiscal year.
Liabilities increased 14.8 billion yen from the end of the previous fiscal year to 154.1 billion yen, mainly due to an increase in the short-term loans payable used to fund the acquisition of Kyoei Sangyo, as well as increases in notes and accounts payable – trade and short- and long-term loans payable associated with the inclusion of Kyoei Sangyo in the Group, despite a decrease in bonds due to redemption.

Total net assets amounted to 172.8 billion yen, up 6.4 billion yen from the end of the previous fiscal year, mainly due to changes associated with the acquisition and cancellation of treasury shares and the accumulation of retained earnings, as well as the recording of 8.8 billion yen in non-controlling interests due to the acquisition of Kyoei Sangyo as a Group company.
The current ratio was 211.8%, indicating continued financial soundness.
The equity ratio decreased 4.3 percentage points from 54.4% at the end of the previous fiscal year to 50.1%. We will continue to pursue management with a consciousness of capital efficiency, while also maintaining financial discipline, safety, and soundness.

Balance Sheet Main Items

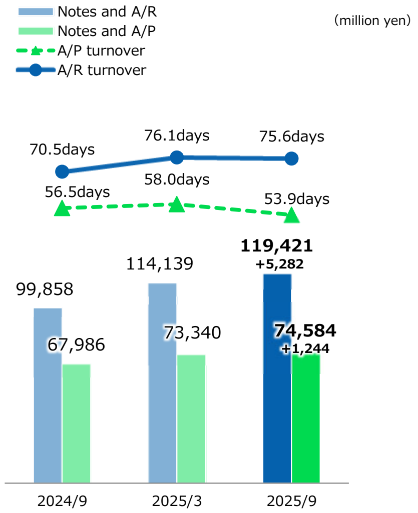
KAGA ELECTRONICS

Inventories



Note : Inventory turnover＝Inventories ÷ Net Sales× 183

Accounts receivable/Accounts payable



Notes:1. A/R turnover＝Notes and A/R ÷ Net sales × 183
2. A/P turnover＝Notes and A/P ÷ Total purchase of goods × 183
3. Notes and A/Rare amounts including Electronically recorded monetary claims-operating
4. Notes and A/Pare amounts including Electronically recorded obligations -operating

Inventories

■ consolidated
・vs end of FY2025/3 :
＋14.6bn, ＋7.6days

■ trading company business
・vs end of FY2025/3 :
＋14.1bn, +11.0days
Mainly due to the consolidation of Kyoei Sangyo as a Group company

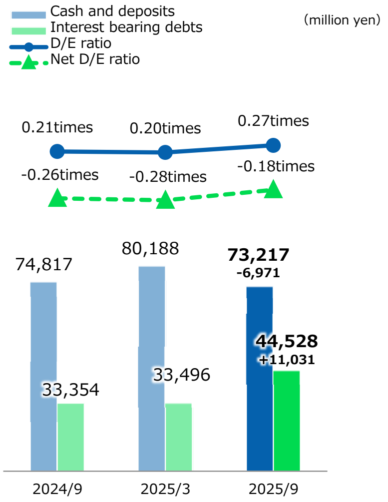
■ manufacturing business
・vs end of FY2025/3 :
＋0.5bn, -3.1days
Although inventory value increased slightly along with higher net sales in the EMS business, improved inventory efficiency led to a reduction in turnover days

Inventories amounted to 66.4 billion yen, up 14.6 billion yen from the end of the previous fiscal year, mainly due to an increase associated with higher sales in the components sales business, where there were indications of a recovery after inventory adjustments, as well as an increase resulting from the consolidation of Kyoei Sangyo as a Group company. Inventory turnover trended upward a little, at 42.1 days. Inventory in the EMS business, our manufacturing business, trended lower due to the increase in sales. We will therefore increase our focus on inventory control and optimization in the trading company business.

Balance Sheet Main Items/Cash flows

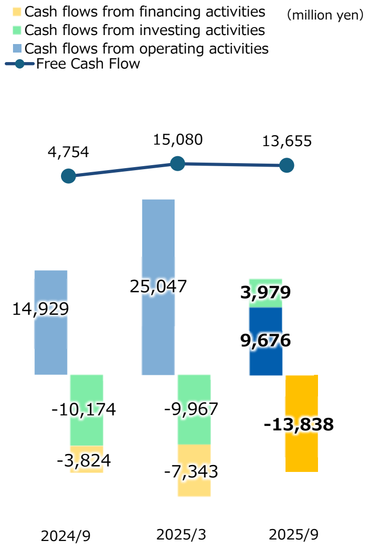
KAGA ELECTRONICS

Cash and Deposits/Interest Bearing Debt



Note:1. D/E ratio＝Interest bearing debts ÷ Shareholder's equity
2. Net D/E ratio＝（Interest bearing debts -Cash and deposits）÷Shareholder's equity

Cash flows



Cash flows

- ■ Operating activities
9,676 million yen provided.
Mainly due to the posting of profit before income taxes.

- ■ Investing activities
3,979 million yen provided.
Mainly due to proceeds from the withdrawal of time deposits.

- ■ Financing activities
13,838 million yen used.
Mainly due to expenses for the purchase of treasury shares.

Interest-bearing debt increased by 11.0 billion yen from the end of the previous fiscal year to 44.5 billion yen, mainly due to financing for the acquisition of Kyoei Sangyo. Equity decreased by 2.3 billion yen to 163.8 billion yen, mainly due to the acquisition and cancellation of treasury shares. As a result, the debt-to-equity ratio (D/E ratio) stood at 0.27. The balance of cash and deposits decreased by 6.9 billion yen from the end of the previous fiscal year to 73.2 billion yen, mainly due to the redemption of bonds and the implementation of shareholder returns through the acquisition of treasury shares. The net D/E ratio stood at -0.18.
We maintain both the D/E ratio and the net D/E ratio at low levels to ensure the stability and soundness of our financial base, fully prepared for aggressive growth investments aimed at future business expansion.

Forecasts for FY2026/3

Forecasts for FY2026/3

KAGA ELECTRONICS

(million yen)		FY2025/3 Results	FY2025/3 Composition Ratio	FY2026/3 Previous Forecasts (Announced on August 7, 2025)	FY2026/3 Revised Forecasts (Announced on November 6, 2025)	FY2026/3 Composition Ratio	vs. previous forecasts	YoY
Net Sales		547,779	100.0%	574,000	**595,000**	100.0%	3.7%	8.6%
Operating income		23,601	4.3%	24,000	**25,500**	4.3%	6.3%	8.0%
Ordinary income		22,593	4.1%	23,800	**25,500**	4.3%	7.1%	12.9%
Profit attibutable to owners of parent		17,083	3.1%	24,200	**26,000**	4.4%	7.4%	52.2%
EPS (yen) (*)		325.08	–	488.45	**524.78**	–	36.33	199.70
ROE		10.8%	–	14.6%	**15.0%**	–	0.4pt	4.2pt
Annual dividend (*)	Total	110	–	120	**120**	–	0	10
(yen)	interim	55	–	60	**60**	–	0	5
	year-end	55	–	60	**60**	–	0	5
Exchange rate	yen / US$	152.58	–	140.00	**140.00**	–	–	–

Note: While a two-for-one stock split of the Company's common stock is planned effective October 1,2024,
The amounts indicated for EPS and annual dividend take account of the impact of the said stock split even prior to the split date.

I would now like to explain the full year earnings forecast for the fiscal year ending March 31, 2026.
As mentioned earlier, there have been indications of a recovery after customer inventory adjustments in the electronic components business, and both the components sales business and the EMS business are progressing toward higher revenue and income.
Moreover, the negative impact of U.S. tariff policies and the appreciation of the yen, which were cited as risk factors at the beginning of the fiscal year, have not materialized significantly so far. As a result, we have reached the midpoint of the fiscal year ending March 31, 2026, at a pace exceeding our internal plans in terms of both sales and income.
Considering the favorable progress in performance during the first half of the fiscal year, on November 6, 2025, we made a further upward revision to our consolidated earnings forecast for the fiscal year ending March 31, 2026, previously revised on August 7 of this year. We now forecast net sales of 595.0 billion yen, operating and ordinary profit of 25.5 billion yen, and net income of 26.0 billion yen.
I should note that as the Group's business environment remains uncertain due to trends in U.S. tariff policies, currency fluctuations, and geopolitical risks, we have not revised our previous forecast for the period from the third quarter onward.

Forecasts for FY2026/3 by Business Segment

KAGA ELECTRONICS

(million yen)		FY2025/3 Results	FY2025/3 Profit margin	FY2026/3 Previous Forecasts (Announced on August 7, 2025)	FY2026/3 **Revised Forecasts** (Announced on November 6, 2025)	FY2026/3 Profit margin	vs. previous forecasts	YoY
Electronic Component	Net sales	472,910		501,000	**516,500**		3.1%	9.2%
	Segment income	16,927	3.6%	17,500	**18,500**	3.6%	5.7%	9.3%
Information Equipment	Net sales	42,652		45,000	**45,000**		0.0%	5.5%
	Segment income	3,307	7.8%	3,500	**3,500**	7.8%	0.0%	5.8%
Software	Net sales	3,387		3,000	**3,500**		16.7%	3.3%
	Segment income	509	15.1%	500	**500**	14.3%	0.0%	-1.9%
Others	Net sales	28,829		25,000	**30,000**		20.0%	4.1%
	Segment income	2,707	9.4%	2,500	**3,000**	10.0%	20.0%	10.8%
Total	Net sales	547,779		574,000	**595,000**		3.7%	8.6%
	Segment income	23,601	4.3%	24,000	**25,500**	4.3%	6.3%	8.0%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

The table shows the full year forecasts by business segment.

Shareholder Returns

KAGA ELECTRONICS

Policy on Shareholder Returns in the New Medium-Term Management Plan (Announced on November 6, 2024)	● Medium- to long-term dividend growth guideline: increased **the consolidated dividend payout ratio to 30% - 40%** (from 25% - 35% in the past) ● Guideline for stable dividends: introduced "**DOE (consolidated dividend on equity ratio) of 4%**" as a new guideline ● Flexible return policies: flexibly implement **extraordinary dividends** and **acquisition of treasury shares** in line with profit levels and capital efficiency
Repurchase and cancellation of treasury shares Repurchase : 2025/8/8 cancellation : 2025/8/18	● **Repurchased all of the Company's shares held by our four primary banks** which had indicated their intention to sell such shares from the point of view of reducing strategic shareholdings pursuant to the requirements of the corporate governance code, through the Tokyo Stock Exchange Trading Network Off Auction Own Share Repurchase Trading System (ToSTNET-3) for a **total value of 14.4 billion yen.** ● **All 4,920,000** repurchased shares **(9.4% of the total number of issued shares) have been cancelled.**

Dividend forecast Maintaining previous forecast:2025/8/7		Initial Forecast Announced on May 7, 2025	Previous Forecast Announced on August 7, 2025	Revised Forecast Announced on November 6, 2025
	Profit attibutable to owners of parent (million yen)	16,500	24,200	**26,000**
	EPS (yen)	313.95	488.45	**524.78**
	Dividend per share(Full year, yen)	110.00	120.00	120.00
	of which, Extraordinary dividend	–	10.00	10.00
	Consolidated dividend payout ratio	35.0%	24.6%	**22.9%**
	※Consolidated dividend payout ratio excluding 7.2 billion yen in gain on bargain purchase	–	35.0%	**31.6%**
	DOE	3.9%	4.2%	**3.9%**
	※DOE excluding 7.2 billion yen in gain on bargain purchase	3.9%	4.3%	**4.0%**

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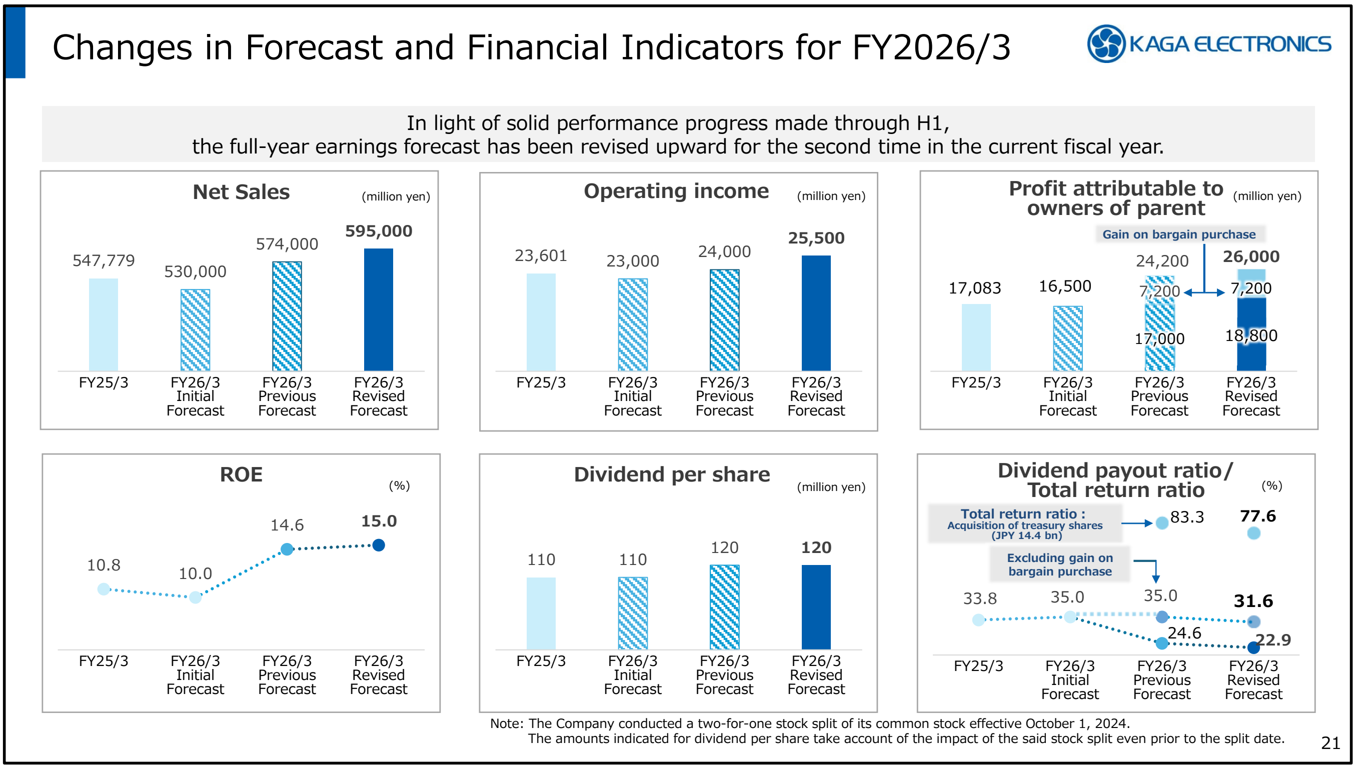
I would like to report on shareholder returns.
First of all, we have three main principles for our policy on shareholder returns, which were formulated in the Medium-Term Management Plan 2027, announced in November last year.
The first is a consolidated dividend payout ratio of 30% to 40% as a guideline for dividend growth linked to business performance.
The second is a DOE of 4% as the guideline for stable dividends.
Lastly, extraordinary dividends and acquisition of treasury shares are flexible measures to return profits to shareholders.
Regarding the acquisition of treasury shares, in August, we acquired all shares held by four primary banks for 14.4 billion yen, and cancelled all the shares thus acquired. This represents 9.4% of issued shares.
We also announced an extraordinary dividend of 10 yen per share in August in conjunction with the upward revision of our earnings forecast.
While we have recently revised our earnings forecast upward for the second time this fiscal year, we have left our dividend forecast unchanged.
The net income forecast includes 7.2 billion yen of gain on bargain purchase that does not involve cash inflow.
Although the apparent dividend payout ratio and DOE fall short of our policy on shareholder returns, when calculated excluding the gain on

bargain purchase, both meet the guidelines.
We intend to take appropriate measures to return profits to shareholders depending on the progress of our future business performance.



This slide shows the changes in forecast and financial indicators for the fiscal year ending March 31, 2026.
We expect to achieve a year-on-year increase in revenue and income across net sales, operating income, and net income, even ignoring the addition of the Kyoei Sangyo Group and the gain on bargain purchase. Through initiatives such as the acquisition and cancellation of treasury shares as part of our capital policy, we aim to maintain our equity ratio at 50.1% and, with the expansion of business earnings, achieve an ROE of 15.0%. While maintaining financial stability and soundness, balanced with capital efficiency, we will strive to further improve capital efficiency. Moving forward, we will continue to strive to enhance profitability in line with the basic policies of the Medium-Term Management Plan 2027, while implementing strategic cash allocation that prioritizes both growth investments—including M&A deals and investments in business infrastructure such as production facilities and human capital—and shareholder returns. We will aggressively invest and utilize the funds we generate, aiming for the sustainable maintenance and improvement of our management target of ROE of 12% or more on a stable basis.

The materials presented from page 22 onward are provided for your reference. We have included information such as quarterly net sales and operating income by segment, trends and graphs of net sales by region, voluntarily disclosed information by segment based on the Medium-Term Management Plan, performance trends over the past five years, and information on exchange rates and exchange rate sensitivity. We hope you will take a look at these as well.

This concludes my overview of the financial results for the first half of the fiscal year ending March 31, 2026.
Thank you very much for your attention.

Management Topics

I am Kado, President of KAGA ELECTRONICS.
Thank you very much for your continued support and cooperation in our IR activities.

I would like to present our management topics for the first half of the fiscal year ending March 2026.

Key Message for FY2026 H1 Results

KAGA ELECTRONICS

H1 Results (April – September)

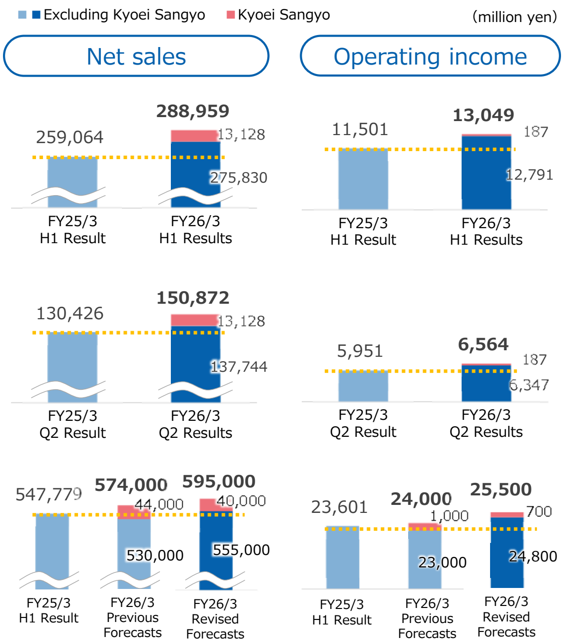
- **Net sales and income increased year on year**
- **Net sales and income increased, even excluding the impact of the acquisition**

Q2 Results (July – September)

- **Net sales and income increased year on year**
- **Net sales and income increased, even excluding the impact of the acquisition**

Earnings Forecasts

- **Second upward revision of forecast this fiscal year**
- **Net sales and income increased, even excluding the impact of the acquisition**



Note: The figures for operating income are before consolidation adjustments among Group companies.

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First, regarding the results for the first half of the fiscal year ending March 31, announced on November 6, while Ishihara has already provided a detailed explanation, I would like to summarize two key points.
The first point is that the financial results showed a year-on-year increase in net sales and income.
Kyoei Sangyo became a consolidated subsidiary from July, and there was a year-on-year increase in net sales and income even excluding the impact of this change.
The second point is that we made an upward revision for the second time in this fiscal year.
The previous revision in August factored in Kyoei Sangyo becoming a consolidated subsidiary, while the current revision mainly reflects the overperformance of Kaga Electronics in the first half of the year.
In this revision, both net sales and income are expected to increase year on year, regardless of the impact of the acquisition.
In this manner, we have achieved favorable financial results, reaching the halfway point of FY2026/3, the first year of the New Medium-Term Management Plan, with an increase in net sales and income and higher than planned results.

EMS Business - Construction of Third Factory in Thailand

KAGA ELECTRONICS

Aims of the New Factory Construction

- Establish a highly efficient production system through the introduction production equipment developed in-house featuring thorough automation and labor-saving capabilities
- Meet the demands of customers through the newly constructed assembly line for finished products for the U.S. and other markets
- Achieve a total of 50 billion yen in sales in five years at the three factories in Thailand

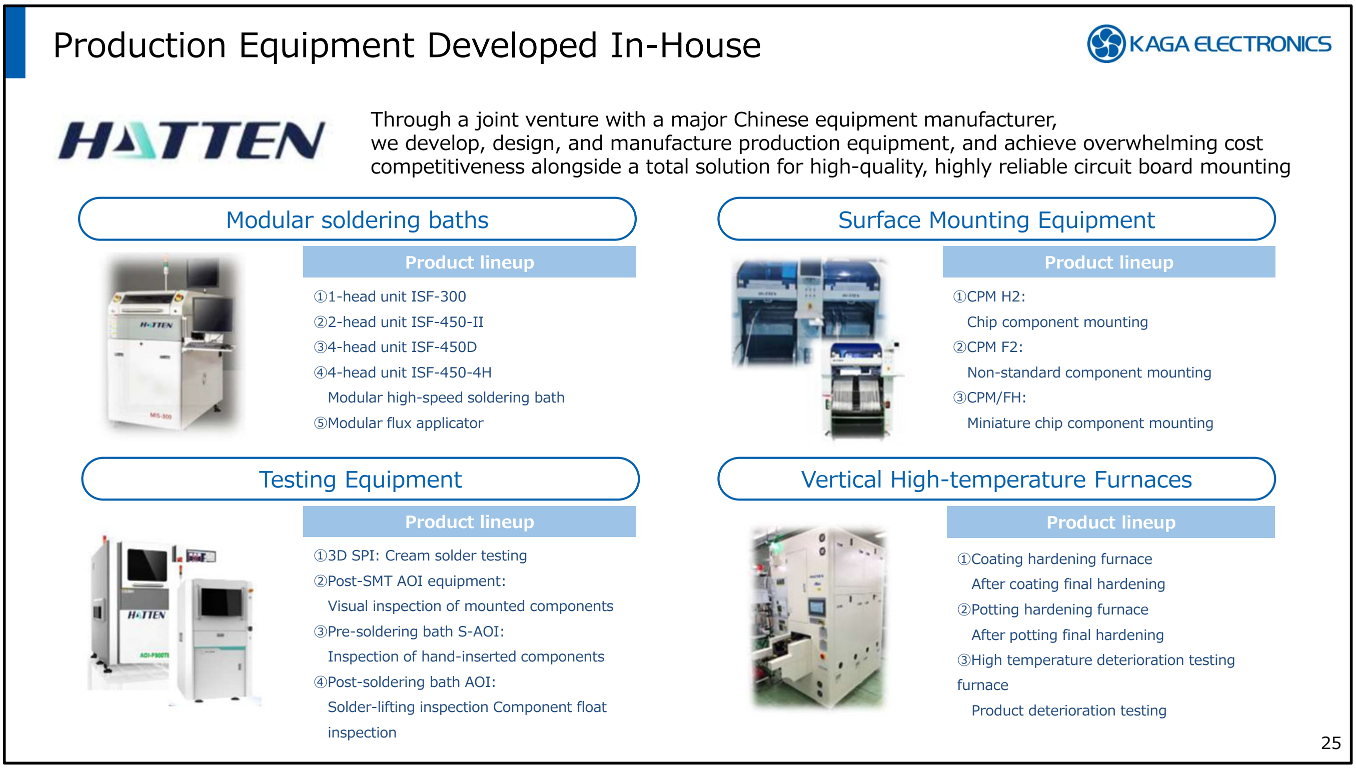
<Amatanakorn Factory I>

<Amatanakorn Factory II>

Amatanakorn Factory III

	Amatanakorn Factory I	Amatanakorn Factory II	**Amatanakorn Factory III**
Location	Amatanakorn Industrial Estate, Chonburi, Thailand	Same as on the left	**Same as on the left**
Total floor area	5,250㎡	5,300㎡	**4,400㎡**
Items produced	Mounting and assembly of substrates for air-conditioning and automotive equipment	Mounting of substrates for office equipment	**Mounting and assembly of substrates for air-conditioning and automotive equipment / Assembly of finished products and unit products for the US market**
Start of operation	April 2012	December 2019	**By the end of 2025**
Investment amount	Approx. 4.6 billion (Total)	Approx. 2.0 billion (Total)	**Approx. 1.3 billion yen (initial investment)**

The next report will be on the EMS business.
Some of you may have read the November 4 Nikkei newspaper article.
We are currently preparing our third factory in Thailand, which is expected to be operational by the end of this year.
This is a measure to respond to the shift of many manufacturing customers who used to produce in China toward ASEAN countries, including Thailand, as part of a trend of decoupling from China.
We are thoroughly committed to automation and labor saving at this new factory by introducing internally developed production equipment.
A new assembly line for finished products as well as circuit board mounting will also be installed.
We are aiming to achieve a total of 50 billion yen in sales in five years at the three factories in Thailand, including the new factory.



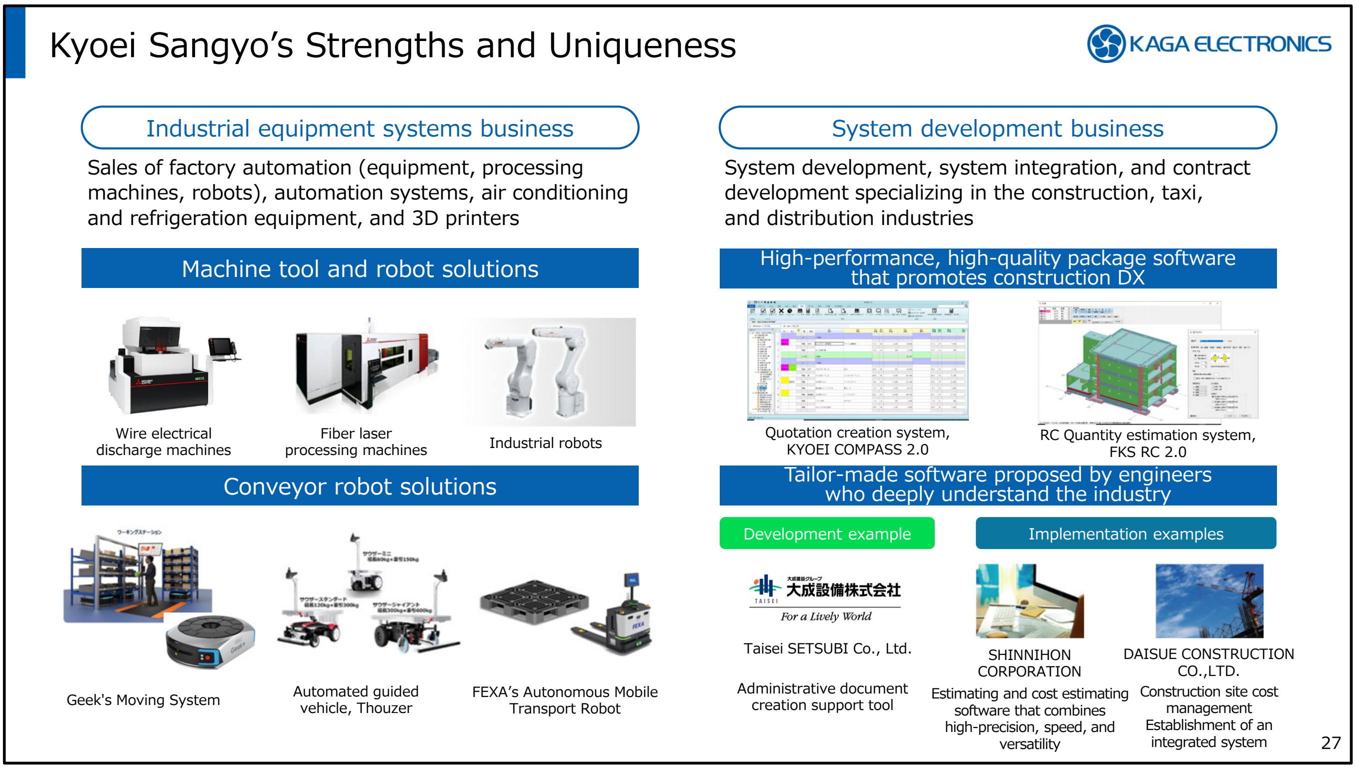
In relation to this, I would like to briefly explain our production equipment developed in-house.
In 2019, we established a joint venture with a Chinese equipment and machinery manufacturer to develop our own production equipment, such as soldering baths, surface mounting equipment, and various inspection equipment that match our circuit board mounting production lines.
In particular, because our EMS business specializes in high-mix, low-volume production, items that were over-specced in ready-made large production facilities can now benefit from production equipment developed in-house, allowing for investments in equipment that fit our size and provide good value for money.
It is a powerful tool that demonstrates our competitive advantage in terms of both quality and cost.
The word HATTEN is shown at the top of the slide.
This is the product brand name we have given to our internally developed equipment.
HATTEN means “development” in Japanese, and we intend to further develop our EMS business using this equipment. We also sell these products externally.

Progress of Making Kyoei Sangyo a Consolidated Subsidiary

KAGA ELECTRONICS

Acquisition scheme	(1) Tender offer: Acquired 45.16% of Kyoei Sangyo's common stock through a tender offer on July 18, 2025. **Combined with shares already held, ownership reached 54.48%, making it a consolidated subsidiary.** (2) Share consolidation: Approved at the extraordinary general meeting of shareholders held on September 29, 2025. **Delisted from the Tokyo Stock Exchange on October 16, 2025** (3) Becoming a wholly-owned subsidiary: Acquired all shares held by Mitsubishi Electric (558,958 shares) on November 17, 2025, **making it a wholly-owned subsidiary** ● Acquisition price: 10.7 billion yen in total, including (1) through (3)
Description of business	Sales of semiconductor and device products, metal materials, industrial equipment, printed circuit boards, etc., and software development
Objectives of the acquisition	● Semiconductor devices: complement each other in products that do not overlap and create added value leveraging the Company's EMS network ● Industrial equipment systems: expand sales in India and other overseas markets using the Company's global adaptability ● Systems development: expand solution proposals by combining the assets (both hardware and software) that Kaga Electronics possesses with those of Kyoei Sangyo

Next, I would like to report on the progress of consolidation of Kyoei Sangyo following the tender offer in July 2025.
The acquisition scheme this time consisted of three steps: first, making it a consolidated subsidiary through a tender offer in July; next, share consolidation and delisting; and, finally, acquiring all shares held by Mitsubishi Electric as of November 7.
As planned, it has become a wholly owned consolidated subsidiary.
The aims of the acquisition are as follows.
(1) In semiconductor devices, we will expand our components sales business through complementary product lineups and connect Kyoei Sangyo's customer base to our EMS business.
(2) In industrial equipment systems, we will expand overseas sales by leveraging our global sales network.
(3) In systems development, we will also work with our assets such as hardware, software, and our customer base to increase sales.



This slide introduces two new business areas added to the Kaga Electronics Group as a result of Kyoei Sangyo becoming a subsidiary.
The first is the industrial equipment systems business.
We offer a wide range of machine tools such as cutting machines and laser welding machines, as well as robots that are indispensable for production sites. We also handle various conveyor robots that support automation and efficiency at manufacturing and logistics sites. In particular, we plan to expand sales in overseas markets by utilizing Kaga Electronics' sales network.
The second is the system development business.
We conduct system development, system integration, and contracted development of embedded systems specialized for the construction, taxi, and distribution industries. Having nearly 400 in-house engineers to perform this work is considered a major strength.

This concludes my presentation.

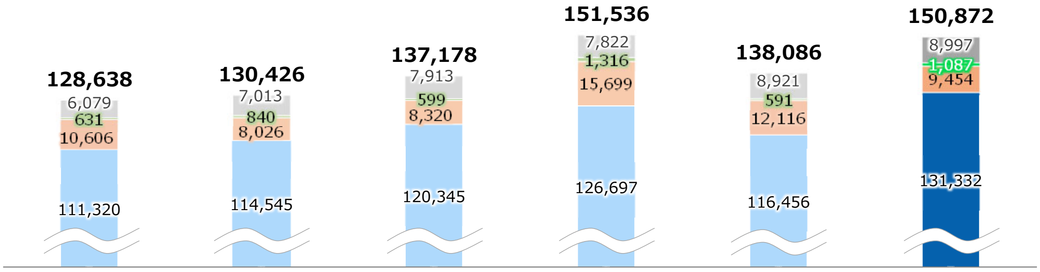
Thank you very much.

Reference

Quarterly Net Sales Trends by Business Segment

Reference

(million yen)

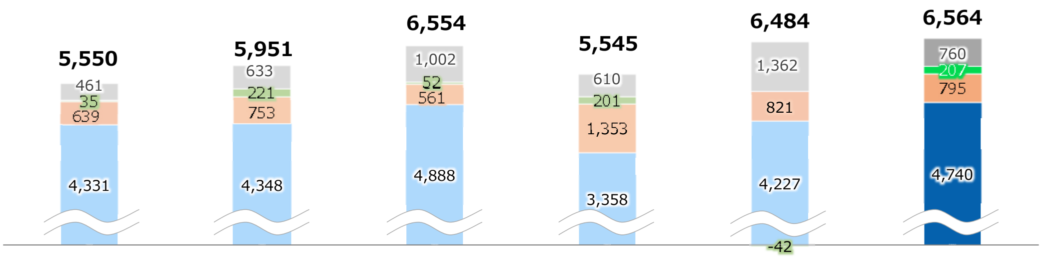


Composition Ratio	FY2025/3 Q1	FY2025/3 Q2	FY2025/3 Q3	FY2025/3 Q4	FY2026/3 Q1	FY2026/3 Q2
Others	4.7%	5.4%	5.8%	5.2%	6.5%	6.0%
Software	0.5%	0.6%	0.4%	0.9%	0.4%	0.7%
Information Equipment	8.2%	6.2%	6.1%	10.4%	8.8%	6.3%
Electric Component	86.5%	87.8%	87.7%	83.6%	84.3%	87.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Quarterly Income Trends by Business Segment

Reference KAGA ELECTRONICS

(million yen)



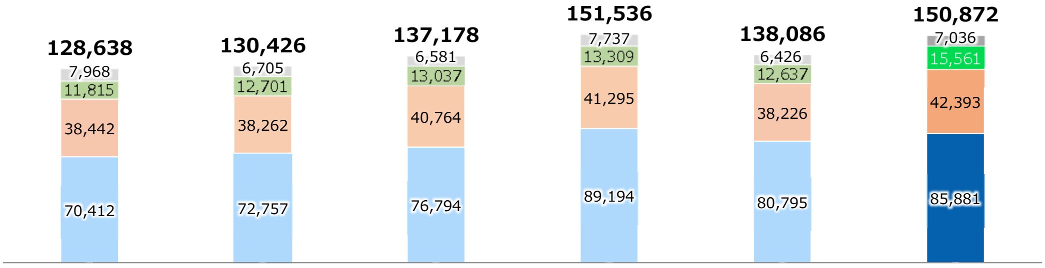
Composition Ratio	FY2025/3 Q1	FY2025/3 Q2	FY2025/3 Q3	FY2025/3 Q4	FY2026/3 Q1	FY2026/3 Q2
Others	8.4%	10.6%	15.4%	11.0%	21.4%	11.7%
Software	0.6%	3.7%	0.8%	3.6%	-0.7%	3.2%
Information Equipment	11.7%	12.6%	8.6%	24.5%	12.9%	12.2%
Electric Component	79.2%	73.0%	75.2%	60.8%	66.4%	72.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

Quarterly Net Sales Trends by Region

Reference

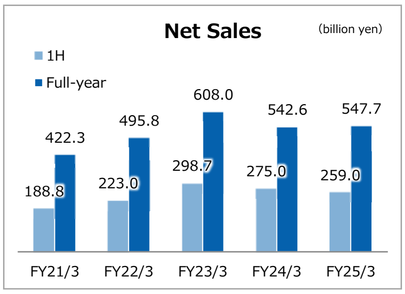
(million yen)

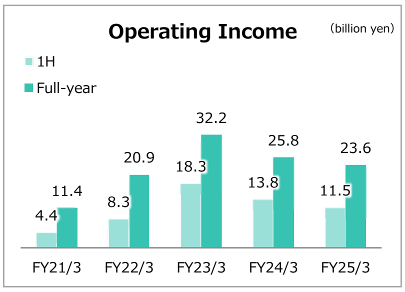


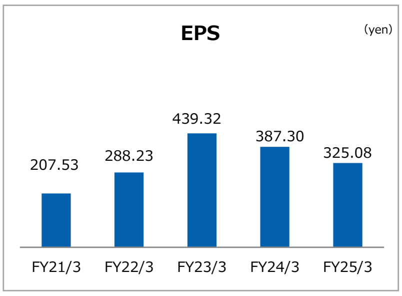
Composition Ratio	FY2025/3 Q1	FY2025/3 Q2	FY2025/3 Q3	FY2025/3 Q4	FY2026/3 Q1	FY2026/3 Q2
Europe	6.2%	5.1%	4.8%	5.1%	4.7%	4.7%
North America	9.2%	9.7%	9.5%	8.8%	9.2%	10.3%
Asia	29.9%	29.3%	29.7%	27.3%	27.7%	28.1%
Japan	54.7%	55.8%	56.0%	58.9%	58.5%	56.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

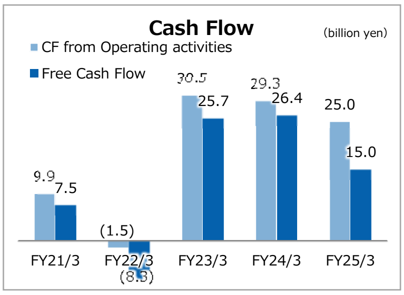
Latest 5 years Financial Trends

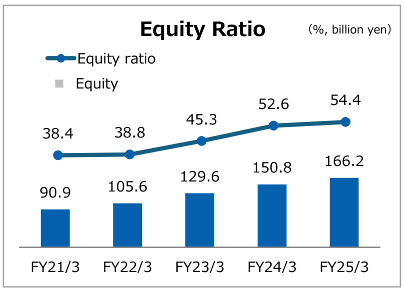
KAGA ELECTRONICS

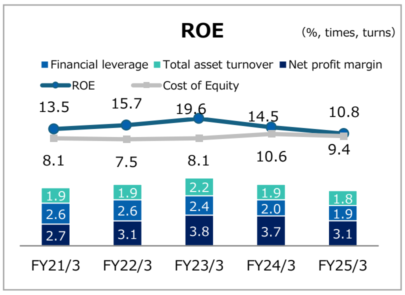












Note: The Company conducted a two-for-one stock split of its common stock effective October 1, 2024.
The amounts indicated for EPS take account of the impact of the said stock split even prior to the split date.

Segment disclosure in the Medium-Term Management Plan

Reference

KAGA ELECTRONICS

Continuous disclosure based on current segmentation according to legal financial accounting,
along with voluntary disclosure based on segmentation in line with the Medium-Term Management Plan.

Current segments

Legal financial Accounting

Electronic components

Components sales business
- Sales of semiconductors
- Sales of general electronic components
- Sales of various kinds of devices

EMS business
- Electronic equipment manufacture contracting services

Information equipment
- Sales of PCs and PC peripherals
- Sales of home electric appliances and lighting fixtures
- Sales of photograph and imaging products

Software
- Production of CG video and software

Others
- Sales of amusement equipment
- Repair and support for electronics equipment
- Sales of sports goods

Segments in Medium-Term Management Plan

Management Accounting

Electronic components
- Sales of semiconductors
- Sales of general electronic components
- Sales of various devices

EMS
- Electronic equipment manufacture contracting services

CSI
- Sales of PCs and PC peripherals
- Sales of home electric appliances and lighting fixtures
- Sales of photograph and imaging products

CSI: Consumer & System Integrator

Others
- Production of CG video and software
- Sales of amusement equipment
- Repair and support for electronics equipment
- Sales of sports goods

Results for FY2026/3 H1 by MTMP* Segment

Reference

KAGA ELECTRONICS

MTMP:Medium-Term Management Plan

H1 Results
(April - September)

(million yen)		FY2025/3	Profit margin	**FY2026/3**	Profit margin	YoY
Electronic Component	Net sales	166,185		**176,601**		6.3%
	Segment income	5,019	3.0%	**4,963**	2.8%	-1.1%
EMS	Net sales	64,981		**76,791**		18.2%
	Segment income	4,164	6.4%	**4,513**	5.9%	8.4%
CSI	Net sales	18,633		**21,571**		15.8%
	Segment income	1,392	7.5%	**1,616**	7.5%	16.1%
Others	Net sales	9,264		**13,994**		51.1%
	Segment income	847	9.1%	**1,845**	13.2%	117.8%
Total	Net sales	259,064		**288,959**		11.5%
	Segment income	11,501	4.4%	**13,049**	4.5%	13.5%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

Results for FY2026/3 Q2 by MTMP* Segment

Reference KAGA ELECTRONICS

MTMP:Medium-Term Management Plan

(million yen)		Q2 Results (July - September) FY2025/3	Profit margin	Q1 Results (April - June) FY2026/3	Profit margin	Q2 Results (July - September) FY2026/3	Profit margin	YoY	QoQ
Electronic Component	Net sales	85,489		81,847		**94,753**		10.8%	15.8%
	Segment income	2,521	2.9%	2,267	2.8%	**2,695**	2.8%	6.9%	18.9%
EMS	Net sales	32,050		37,198		**39,593**		23.5%	6.4%
	Segment income	2,094	6.5%	2,235	6.0%	**2,278**	5.8%	8.8%	1.9%
CSI	Net sales	8,026		12,116		**9,454**		17.8%	-22.0%
	Segment income	753	9.4%	821	6.8%	**795**	8.4%	5.7%	-3.1%
Others	Net sales	4,860		6,923		**7,071**		45.5%	2.1%
	Segment income	586	12.1%	1,132	16.4%	**712**	10.1%	21.5%	-37.1%
Total	Net sales	130,426		138,086		**150,872**		15.7%	9.3%
	Segment income	5,951	4.6%	6,484	4.7%	**6,564**	4.4%	10.3%	1.2%

Note: Figures of each segment income are not inter-segment adjusted.
Total amount is inter-segment adjusted (operating income).

Exchange Rate / FOREX Sensitivity

KAGA ELECTRONICS

	H1 Results (April - September)		(Reference) Effect of 1% change		Forex Assumption for 2026/3
	FY2025/3	FY2026/3	Net sales	Operating income	
		(yen)		(million yen)	(yen)
USD	152.63	146.04	1,125	23	140.00
RMB	21.05	20.47	141	8	20.00
THB	4.27	4.46	164	10	4.50
HKD	19.55	18.69	106	2	19.00
EUR	165.95	168.06	76	0	160.00

Memo

KAGA ELECTRONICS

“Everything we do is for our customers

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- Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons.

- Display method in this material
  Number : Truncated less than the display unit.
  Ratio : After calculation in yen units, Round down one digit of Display unit.