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May 13, 2026

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



Company name: SEIKO GROUP CORPORATION

Listing: Tokyo Stock Exchange

Securities code: 8050

URL: <https://www.seiko.co.jp/en/>

Representative: Shuji Takahashi

President

Inquiries: Masanobu Minami

General Manager, Accounting Department

Telephone: +81-3-3563-2111

Scheduled date of annual general meeting of shareholders: June 25, 2026

Scheduled date to commence dividend payments: June 26, 2026

Scheduled date to file annual securities report: June 24, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	335,686	10.2	30,873	45.4	33,119	59.5	21,980	65.1
March 31, 2025	304,744	10.1	21,240	44.1	20,769	30.7	13,316	32.5

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 24,950 million [ 138.1%]  
For the fiscal year ended March 31, 2025: ¥ 10,477 million [ (56.6)%]

	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	%	%	%
Fiscal year ended March 31, 2026	268.93	-	13.3	8.8	9.2
March 31, 2025	163.09	-	8.7	5.6	7.0

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 1,481 million

For the fiscal year ended March 31, 2025: ¥ 1,240 million

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. Basic earnings per share have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	383,881	177,502	45.8	2,150.47
March 31, 2025	369,236	158,014	42.2	1,909.32

Reference: Equity

As of March 31, 2026: ¥ 175,783 million

As of March 31, 2025: ¥ 155,972 million

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. Net assets per share have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

#### (3) Consolidated cash flows

	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
Fiscal year ended March 31, 2026	36,769	(14,794)	(20,455)	43,487
March 31, 2025	32,609	(9,120)	(16,520)	39,429

## 2. Cash dividends

	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			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	45.00	-	55.00	100.00	4,134	30.7	2.7
Fiscal year ended March 31, 2026	-	60.00	-	105.00	165.00	6,821	30.7	4.1
Fiscal year ending March 31, 2027 (Forecast)	-	45.00	-	45.00	90.00		32.0	

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. For the fiscal years ended March 2025 and March 2026, the actual dividend amounts before the stock split are stated. For the fiscal year ending March 2027 (forecast), the figures after the stock split are stated. If the stock split is not taken into account, the annual dividend for the fiscal year ending March 2027 (forecast) would be 180 yen.

## 3. Consolidated financial result forecasts 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
Fiscal year ending March 31, 2027	358,000	6.6	33,500	8.5	34,000	2.7	23,000	4.6	281.37

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. The basic earnings per share in the consolidated financial result forecasts for the fiscal year ending March 2027 takes into account the impact of this stock split.

### \* Notes

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

Newly included: - companies( )  
Excluded: - companies( )

(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	82,808,522 shares
As of March 31, 2025	82,808,522 shares

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

As of March 31, 2026	1,066,720 shares
As of March 31, 2025	1,118,820 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	81,731,373 shares
Fiscal Year ended March 31, 2025	81,652,640 shares

(Note)

For the purpose of calculating the number of treasury shares at the end of period and the average numbers of shares issued during the period, treasury shares held in the Board Benefit Trust (BBT) are included in the treasury shares deducted in the calculation.

The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. Total number of issued shares at the end of the period (including treasury shares), number of treasury shares at the end of the period, and average number of shares outstanding during the period have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

**[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	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	18,040	11.1	3,452	356.8	4,009	141.8	6,766	50.3
March 31, 2025	16,238	6.7	755	4.3	1,658	12.2	4,500	25.0

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	82.74	-
March 31, 2025	55.09	-

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. Basic earnings per share have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

**(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	175,994	59,040	33.5	721.91
March 31, 2025	189,589	60,494	31.9	740.16

Reference: Equity

As of March 31, 2026: ¥ 59,040 million

As of March 31, 2025: ¥ 60,494 million

Note: The Company conducted a 2-for-1 stock split of its common shares effective April 1, 2026. Net assets per share have been calculated on the assumption that the stock split had been conducted at the beginning of the previous fiscal year.

\* 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

(Cautionary statements with respect to financial forecast)

The financial forecasts which appear in this report have been prepared based solely on the information which was available to the Company as of the date on which the report was released and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from the forecasted figures due to a number of factors.

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## 1. Business Results

### (1) Overview

In the fiscal year ended March 31, 2026, the Japanese economy showed a moderate recovery as personal consumption and capital expenditures remained firm despite inflationary pressures. Inbound demand remained strong, mainly due to tourists from Europe, the United States, and Southeast Asia, despite a decrease in Chinese tourists.

The overseas economy continues to show solid growth in the United States, while Europe is on a moderate recovery trend due to factors such as easing inflation. In China, the pace of recovery has slowed due to factors such as a deceleration in domestic demand, and the real estate market remains a key area of concern.

Currently, impacts on supply chains must be closely monitored amid changes in international affairs.

	FY2023	FY2024	FY2025	Variance	Variance
	(a)	(b)	①	① - (a)	① - (b)
Net sales	276,807	304,744	335,686	58,879	30,942
Operating profit	14,737	21,240	30,873	16,135	9,633
%	5.3%	7.0%	9.2%	3.9 pt	2.2 pt
Ordinary profit	15,894	20,769	33,119	17,224	12,349
%	5.7%	6.8%	9.9%	4.2 pt	3.1 pt
Profit attributable to owners of parent	10,051	13,316	21,980	11,929	8,663
%	3.6%	4.4%	6.5%	2.9 pt	2.1 pt
Exchange rate (v. JPY)					
USD	144.7	152.6	150.8	6.1	(1.8)
EUR	156.8	163.8	174.8	18.0	11.0

In the “Emotional Value Solutions Business (EVS Business),” the Watches Business and the WAKO Business for Japan recorded significant sales growth driven by robust personal consumption and the inbound demand. The Watches Business for overseas also grew, particularly in the United States, and net sales were significantly higher year on year. In the “Devices Solutions Business (DS Business),” net sales increased year on year, driven by growth in sales of primarily micro batteries. In the “Systems Solutions Business (SS Business),” net sales were higher year on year, primarily due to efforts to diversify business and expand the stock business. As a result, for the fiscal year ended March 31, 2026, the Group reported consolidated net sales of 335.6 billion yen (up 10.2% YoY).

On an overall consolidated basis, domestic net sales came to 177.0 billion yen (up 6.5% YoY), and overseas net sales were 158.5 billion yen (up 14.5% YoY). Overseas net sales comprised 47.2% of net sales overall.

Selling, general and administrative expenses for the fiscal year ended March 31, 2026 increased 8.5 billion yen year on year, of which advertising and promotion expenses increased more than 10% from the previous fiscal year. Operating profit increased by 9.6 billion yen year on year to 30.8 billion yen (up 45.4% YoY), driven by the EVS Business. Non-operating income and expenses improved from the previous fiscal year due to factors such as the recording of foreign exchange gains resulting from significant fluctuations in the yen exchange rate, leading to ordinary profit of 33.1 billion yen (up 59.5% YoY), which is 12.3 billion yen higher year on year. A gain on sale of non-current assets of 0.5 billion yen was posted as extraordinary income, while impairment losses and business restructuring expenses were posted as extraordinary losses totaling 1.8 billion yen. As a result, profit attributable to owners of parent increased by 8.6 billion yen year on year to 21.9 billion yen (up 65.1% YoY). The average exchange rates for the current fiscal year were 150.8 yen per US dollar and 174.8 yen per euro.

### **Results by Segment**

Results for each segment are as follows:

Note that, from the first quarter of the current fiscal year beginning from April 1, 2025, the clock sales business of SEIKO Time Creation Inc. has been transferred to SEIKO WATCH CORPORATION, and SEIKO Time Creation Inc., which was previously included in the EVS Business, has been reclassified to the SS Business.

In addition, Seiko Future Creation Inc., which was previously included in the DS Business, has been reclassified under Others.

#### **a. Emotional Value Solutions Business (EVS Business)**

Net sales in the EVS Business came to 220.4 billion yen (up 10.7% YoY), and operating profit was 28.5 billion yen (up 28.7% YoY), marking significant increases in both revenue and profit.

Net sales in the Watches Business increased year on year driven by a recovery in domestic sales of Grand Seiko from October onward, as well as strong performance overseas mainly in the US market. As for the Seiko brand, strong performance by Global Brands Seiko Prospex, Seiko Presage, and Seiko 5 Sports led to a significant year-on-year increase in net sales. The domestic market achieved significant growth partly driven by effective advertising on the back of strong inbound demand, while overseas the US market in particular achieved strong growth.

In the WAKO Business, there was a major year-on-year increase in net sales, primarily in watches division, partly driven by ongoing strong inbound demand.

**b. Devices Solutions Business (DS Business)**

Net sales in the DS Business came to 64.9 billion yen, up 8.2% YoY. Operating profit was 3.8 billion yen, up 37.4% YoY.

Net sales of micro batteries significantly increased, driven by silver oxide batteries for medical equipment. In addition, net sales of inkjet heads also increased from the previous fiscal year due to expanded applications and other factors. As a result, the DS Business reported higher revenue and profit year on year.

**c. Systems Solutions Business (SS Business)**

Net sales in the SS Business came to 57.1 billion yen, up 8.3% YoY. Operating profit was 5.5 billion yen, up 6.0% YoY.

IT infrastructure-related business continued to perform strongly from the previous fiscal year, and security-related business also expanded mainly due to renewal demand from major customers. In addition, order entry systems for restaurant chains and payment-related business for the taxi industry also grew. Furthermore, M&A activities conducted during the second quarter of the current fiscal year contributed to earnings partly driven by synergy effects in the Group. As a result, the business of SEIKO Solutions Inc. achieved increased revenue and profit for the 40th consecutive quarter.

## **(2) Financial Condition**

### **-Assets-**

Total assets at the close of the fiscal year ended March 31, 2026 amounted to 383.8 billion yen, an increase of 14.6 billion yen from the close of the previous fiscal year. Total current assets came to 187.9 billion yen, an increase of 13.7 billion yen from the close of the previous fiscal year. This was due to factors such as increases of 4.0 billion yen in cash and deposits, 5.8 billion yen in accounts receivable - trade, 1.2 billion yen in work in process, and 2.5 billion yen in raw materials and supplies. Total non-current assets came to 195.9 billion yen, an increase of 0.9 billion yen from the close of the previous fiscal year. This was due to increases of 1.3 billion yen in total property, plant and equipment and 2.0 billion yen in total intangible assets, while total investments and other assets decreased by 2.4 billion yen.

### **-Liabilities-**

Regarding liabilities, short-term borrowings decreased by 7.9 billion yen, and long-term borrowings (including the current portion of long-term borrowings) decreased by 4.1 billion yen, bringing total borrowings to 95.4 billion yen. In addition, notes and accounts payable - trade increased by 1.4 billion yen, accounts payable - other increased by 3.1 billion yen, and income taxes payable increased by 1.4 billion yen, while deferred tax liabilities decreased by 1.3 billion yen. As a result, total liabilities amounted to 206.3 billion yen, a decrease of 4.8 billion yen from the close of the previous fiscal year.

### **-Net assets-**

Regarding net assets, shareholders' equity increased by 17.0 billion yen and foreign currency translation adjustment increased by 7.1 billion yen, while valuation difference on available-for-sale securities decreased by 3.7 billion yen. As a result, total net assets increased by 19.4 billion yen from the close of the previous fiscal year to become 177.5 billion yen.



### **(3) Overview of Cash Flows**

The balance of cash and cash equivalents at the end of the fiscal year ended March 31, 2026 came to 43.4 billion yen, an increase of 4.0 billion yen relative to the end of the previous fiscal year. Free cash flow, the sum of cash flows from operating and investing activities, amounted to 21.9 billion yen. This was primarily due to the following factors.

#### **-Cash flows from operating activities**

Net cash provided by operating activities came to positive 36.7 billion yen (compared to a positive cash flow of 32.6 billion yen for the previous fiscal year). This was the result of the Company posting 31.8 billion yen in income before income taxes, factoring in depreciation amounting to 14.0 billion yen, as well as adjustments such as 3.5 billion yen in increase in trade receivables (posted as a decrease), 8.6 billion yen in income taxes paid (posted as a decrease), and others.

#### **-Cash flows from investing activities**

Net cash used in investing activities came to negative 14.7 billion yen (compared to a negative cash flow of 9.1 billion yen for the previous fiscal year). This was mainly due to purchase of property, plant and equipment (posted as a decrease) amounting to 9.6 billion yen, purchase of intangible assets (posted as a decrease) amounting to 4.2 billion yen, and purchase of shares of subsidiaries resulting in change in scope of consolidation (posted as a decrease) amounting to 0.8 billion yen.

#### **-Cash flows from financing activities**

Net cash used in financing activities came to negative 20.4 billion yen (compared to a negative cash flow of 16.5 billion yen for the previous fiscal year) due mainly to repayments and borrowings of short- and long-term borrowings that combined for a net amount of 12.2 billion yen (posted as a decrease), as well as 2.8 billion yen in repayments of lease liabilities (posted as a decrease) and 4.7 billion yen in dividends paid (posted as a decrease).

#### (4) Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2027 (FY2026)

During the fiscal year ended March 31, 2026, the EVS Business, DS Business, and SS Business all saw year-on-year growth in both revenue and profit, and these businesses are expected to continue to perform steadily in the fiscal year ending March 31, 2027. Accordingly, the financial forecasts for the fiscal year ending March 31, 2027 are as follows.

Note that the exchange rates for the financial forecast are as follows: 150.0 yen per US dollar; 170.0 yen per euro.

##### ■Forecast for the consolidated business results for the year ending March 31, 2027 (FY2026)

(¥ million)	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share
FY2025 (A)	335,686	30,873	33,119	21,980	268.93 yen
<b>FY2026 (forecast) (B)</b>	<b>358,000</b>	<b>33,500</b>	<b>34,000</b>	<b>23,000</b>	<b>281.37 yen</b>
Variance (B-A)	22,313	2,626	880	1,019	12.44 yen
Change (%)	6.6	8.5	2.7	4.6	4.6

Note: On April 1, 2026, the Company conducted a two-for-one share split of its common shares. Earnings per share for FY2025 has been calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended March 31, 2026. Earnings per share for FY2026 (forecast) also reflects the impact of the share split.

##### ■Forecasted results by segment for the year ending March 31, 2027 (FY2026)

(¥ billion)	Net Sales	Operating Profit
Emotional Value Solutions Business	229.0	31.0
Devices Solutions Business	73.5	4.3
Systems Solutions Business	61.5	6.6
Total for reported segments	364.0	41.9
Others	4.5	0.1
Consolidated total	358.0	33.5

Note: Consolidated total represents figures after consolidation adjustment such as the elimination of inter-segment sales.

Based on the consolidated financial results for the fiscal year ended March 31, 2026, the Board of Directors resolved at the meeting held on May 13, 2026, to distribute dividends of surplus with a record date of March 31, 2026, as detailed below. This matter will be submitted for approval at the 165th Ordinary General Meeting of Shareholders scheduled to be held on June 25, 2026.

The Company's basic policy for profit allocation is to enhance internal reserves to strengthen its management foundation and to focus on allocating stable profits to shareholders. In addition, the Company returns profits to shareholders primarily through dividends and will maintain a consolidated payout ratio of 30% or above.

In light of this basic policy and the consolidated financial results for the fiscal year under review, the Company plans to increase the fiscal year-end dividend by 15.0 yen, from 90.0 yen per share to 105.0 yen per share, with a record date of March 31, 2026.

Accordingly, the annual dividend for the fiscal year under review will be 165.0 yen per share together with the interim dividend, and the consolidated payout ratio is expected to be 30.7%.

#### ■Dividend forecast

	Determined amount	Current forecast (as of Feb. 10, 2026)	Previous fiscal year's results (FY2025)
Record date	March 31, 2026	March 31, 2026	March 31, 2025
Dividend per share (yen)	105.00	90.00	55.00
Cash dividends (¥ million)	4,340	-	2,273
Effective date	June 26, 2026	-	June 30, 2025
Dividend resources	Retained earnings	-	Retained earnings

On April 1, 2026, the Company conducted a two-for-one share split of its common shares. The annual dividend for the next fiscal year will be 90.0 yen per share (interim dividend of 45.0 yen and fiscal year-end dividend of 45.0 yen) (180.0 yen on a pre-share split basis).

*The forecasted results which appear in this report have been prepared based solely on the information which was available to us as of the date on which the report was released. As a result, actual results may differ from the forecasted figures due to a number of factors, such as changes in the business environment in the future.*

## 2. Basic Policy on Adoption of Accounting Standards

The Group prepares its consolidated financial statements in accordance with Japanese GAAP in order to ensure comparability with peer companies in Japan and in consideration of the burden of establishing a system to prepare consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

### 3. Consolidated Financial Statements and Primary Notes

#### (1) Consolidated Balance Sheet

(¥ million)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	39,429	43,487
Notes receivable - trade	3,546	3,014
Accounts receivable - trade	36,400	42,259
Contract assets	1,426	446
Merchandise and finished goods	46,846	46,939
Work in process	19,120	20,362
Raw materials and supplies	15,697	18,277
Accounts receivable - other	3,697	4,520
Other	9,631	10,475
Allowance for doubtful accounts	(1,614)	(1,867)
Total current assets	174,183	187,914
Non-current assets		
Property, plant and equipment		
Buildings and structures	83,290	86,119
Machinery, equipment and vehicles	94,004	96,558
Tools, furniture and fixtures	43,549	47,096
Right-of-use assets	16,524	19,358
Other	211	186
Accumulated depreciation	(178,271)	(189,272)
Land	52,695	52,879
Construction in progress	989	1,437
Total property, plant and equipment	112,995	114,365
Intangible assets		
Goodwill	6,375	6,091
Other	11,614	13,921
Total intangible assets	17,989	20,012
Investments and other assets		
Investment securities	53,123	49,545
Retirement benefit asset	1,603	1,348
Deferred tax assets	2,151	2,618
Other	7,334	8,223
Allowance for doubtful accounts	(146)	(146)
Total investments and other assets	64,068	61,589
Total non-current assets	195,053	195,967
Total assets	369,236	383,881

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	26,847	28,322
Short-term borrowings	50,547	42,569
Current portion of long-term borrowings	23,065	28,605
Accounts payable - other	11,997	15,098
Income taxes payable	5,311	6,743
Contract liabilities	9,769	9,998
Provision for bonuses	5,865	6,595
Provision for goods warranties	566	682
Provision for business restructuring	217	-
Other provisions	286	296
Asset retirement obligations	502	513
Other	14,652	17,192
Total current liabilities	149,628	156,616
Non-current liabilities		
Long-term borrowings	33,996	24,308
Lease liabilities	9,033	9,385
Deferred tax liabilities	5,335	4,023
Deferred tax liabilities for land revaluation	3,720	3,720
Provision for stock benefits	723	1,013
Provision for long-term goods warranties	164	239
Provision for retirement benefits for directors (and other officers)	4	4
Other provisions	5	2
Retirement benefit liability	5,900	5,153
Asset retirement obligations	609	706
Other	2,099	1,202
Total non-current liabilities	61,592	49,762
Total liabilities	211,221	206,378
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	7,256	7,259
Retained earnings	98,164	115,182
Treasury shares	(1,381)	(1,318)
Total shareholders' equity	114,039	131,124
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,711	10,999
Deferred gains or losses on hedges	(5)	(48)
Revaluation reserve for land	8,083	8,083
Foreign currency translation adjustment	18,783	25,935
Remeasurements of defined benefit plans	359	(311)
Total accumulated other comprehensive income	41,932	44,659
Non-controlling interests	2,042	1,719
Total net assets	158,014	177,502
Total liabilities and net assets	369,236	383,881

## (2) Consolidated Statements of Income and Comprehensive Income

### a. Consolidated Statement of Income

(¥ million)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	304,744	335,686
Cost of sales	167,676	180,483
Gross profit	137,068	155,203
Selling, general and administrative expenses	115,827	124,329
Operating profit	21,240	30,873
Non-operating income		
Interest income	531	586
Dividend income	911	844
Share of profit of entities accounted for using equity method	1,240	1,481
Foreign exchange gains	-	1,194
Other	540	749
Total non-operating income	3,223	4,857
Non-operating expenses		
Interest expenses	1,567	1,389
Foreign exchange losses	624	-
Other	1,502	1,222
Total non-operating expenses	3,694	2,611
Ordinary profit	20,769	33,119
Extraordinary income		
Gain on sale of non-current assets	816	561
Gain on sale of investment securities	1,858	-
Insurance claim income	360	-
Gain on sale of membership	183	-
Total extraordinary income	3,218	561
Extraordinary losses		
Impairment losses	2,217	938
Business restructuring expenses	899	798
Loss on retirement of non-current assets	167	136
Loss on disaster	281	-
Loss on cancellation of agency agreement	148	-
Total extraordinary losses	3,715	1,873
Profit before income taxes	20,273	31,807
Income taxes - current	7,323	10,016
Income taxes - deferred	(558)	(286)
Total income taxes	6,765	9,730
Profit	13,508	22,076
Profit attributable to non-controlling interests	191	96
Profit attributable to owners of parent	13,316	21,980

## b. Consolidated Statement of Comprehensive Income

(¥ million)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	13,508	22,076
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,456)	(3,493)
Deferred gains or losses on hedges	68	(42)
Revaluation reserve for land	(106)	-
Foreign currency translation adjustment	79	6,684
Remeasurements of defined benefit plans, net of tax	(558)	(688)
Share of other comprehensive income of entities accounted for using equity method	943	412
Total other comprehensive income	(3,030)	2,873
Comprehensive income	10,477	24,950
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,274	24,706
Comprehensive income attributable to non-controlling interests	202	243

### (3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(¥ million)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	7,245	88,465	(1,584)	104,126
Changes during period					
Dividends of surplus			(3,617)		(3,617)
Profit attributable to owners of parent			13,316		13,316
Purchase of treasury shares				(2)	(2)
Disposal of treasury stock by ownership plan trust				205	205
Change in ownership interest of parent due to transactions with non-controlling interests		11			11
Other				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	11	9,699	202	9,913
Balance at end of period	10,000	7,256	98,164	(1,381)	114,039

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	17,820	(74)	8,190	18,290	746	44,974	2,234	151,334
Changes during period								
Dividends of surplus								(3,617)
Profit attributable to owners of parent								13,316
Purchase of treasury shares								(2)
Disposal of treasury stock by ownership plan trust								205
Change in ownership interest of parent due to transactions with non-controlling interests								11
Other								(0)
Net changes in items other than shareholders' equity	(3,109)	68	(106)	492	(387)	(3,041)	(192)	(3,233)
Total changes during period	(3,109)	68	(106)	492	(387)	(3,041)	(192)	6,679
Balance at end of period	14,711	(5)	8,083	18,783	359	41,932	2,042	158,014



For the fiscal year ended March 31, 2026

(¥ million)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,000	7,256	98,164	(1,381)	114,039
Changes during period					
Dividends of surplus			(4,754)		(4,754)
Profit attributable to owners of parent			21,980		21,980
Purchase of treasury shares				(4)	(4)
Disposal of treasury stock by ownership plan trust				67	67
Change in ownership interest of parent due to transactions with non-controlling interests		3			3
Effect of changes in accounting period of consolidated subsidiaries			(207)		(207)
Net changes in items other than shareholders' equity					
Total changes during period	-	3	17,018	63	17,084
Balance at end of period	10,000	7,259	115,182	(1,318)	131,124

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	14,711	(5)	8,083	18,783	359	41,932	2,042	158,014
Changes during period								
Dividends of surplus								(4,754)
Profit attributable to owners of parent								21,980
Purchase of treasury shares								(4)
Disposal of treasury stock by ownership plan trust								67
Change in ownership interest of parent due to transactions with non-controlling interests								3
Effect of changes in accounting period of consolidated subsidiaries								(207)
Net changes in items other than shareholders' equity	(3,711)	(42)	-	7,152	(671)	2,726	(322)	2,403
Total changes during period	(3,711)	(42)	-	7,152	(671)	2,726	(322)	19,488
Balance at end of period	10,999	(48)	8,083	25,935	(311)	44,659	1,719	177,502

#### (4) Consolidated Statements of Cash Flows

(¥ million)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	20,273	31,807
Depreciation	14,307	14,085
Increase (decrease) in allowance for doubtful accounts	206	168
Increase (decrease) in retirement benefit liability	(253)	(838)
Interest and dividend income	(1,443)	(1,431)
Interest expenses	1,567	1,389
Foreign exchange losses (gains)	0	(571)
Share of loss (profit) of entities accounted for using equity method	(1,240)	(1,481)
Impairment losses	2,217	938
Loss (gain) on sale of investment securities	(1,858)	-
Loss (gain) on sale of non-current assets	(999)	(561)
Loss on retirement of non-current assets	487	416
Decrease (increase) in trade receivables	4,827	(3,508)
Decrease (increase) in inventories	2,467	(929)
Increase (decrease) in trade payables	(2,909)	648
Other, net	1,454	4,949
Subtotal	39,105	45,080
Interest and dividends received	1,443	1,431
Dividends received from entities accounted for using equity method	279	301
Interest paid	(1,548)	(1,392)
Income taxes paid	(6,670)	(8,652)
Net cash provided by (used in) operating activities	32,609	36,769
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(10,362)	(9,680)
Proceeds from sale of property, plant and equipment	2,598	667
Purchase of investment securities	(101)	(0)
Proceeds from sale of investment securities	2,483	9
Loan advances	(640)	(585)
Proceeds from collection of loans receivable	821	696
Purchase of intangible assets	(3,309)	(4,267)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(801)
Other, net	(610)	(833)
Net cash provided by (used in) investing activities	(9,120)	(14,794)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	1,210,538	1,096,404
Repayments of short-term borrowings	(1,224,350)	(1,104,506)
Proceeds from long-term borrowings	27,300	21,400
Repayments of long-term borrowings	(23,639)	(25,548)
Purchase of treasury shares	(2)	(4)
Repayments of lease liabilities	(2,365)	(2,884)
Dividends paid	(3,617)	(4,754)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(228)	(489)
Other, net	(153)	(72)
Net cash provided by (used in) financing activities	(16,520)	(20,455)
Effect of exchange rate change on cash and cash equivalents	(223)	2,656
Net increase (decrease) in cash and cash equivalents	6,746	4,176
Cash and cash equivalents at beginning of period	32,683	39,429
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of subsidiaries	-	(118)
Cash and cash equivalents at end of period	39,429	43,487

**(5) Notes to Consolidated Financial Statements**

**(Going concern assumption)**

Not applicable.

**(Important matters that are the basis for preparation of consolidated financial statements)**

(Changes in the fiscal year, etc. of consolidated subsidiaries)

From the fiscal year ended March 31, 2026, in order to ensure more appropriate disclosure of consolidated financial information, the fiscal year-end of certain consolidated subsidiaries whose fiscal year-end previously differed from the consolidated fiscal year-end has been changed: the fiscal year-end of SEIKO Precision (Thailand) Co., Ltd. was changed from the end of February to the end of December, and the fiscal year-end of Seiko Instruments (Thailand) Ltd. was changed from the end of January to the end of December. Both subsidiaries have adopted a method in which financial statements are prepared based on a provisional settlement of accounts as of the consolidated fiscal year-end. As a result of these changes, the consolidated statement of income for the current fiscal year includes the 12-month period from April 1, 2025 to March 31, 2026. The profit and loss resulting from the change in the fiscal year-end of these consolidated subsidiaries has been directly recorded in retained earnings.

## **(Segment Information)**

### **1. Outline of the reported segments**

The Company's reported segments are business units of the Company for which discrete financial information is available and for which the Board of Directors regularly conducts a review for the purpose of making decisions about management resources to be allocated to the segments and assessing the segment's performance.

The Company has established three strategic domains (the Emotional Value Solutions domain, the Devices Solutions domain, and the Systems Solutions domain) based on the solutions it provides, and formulated and implemented strategies for each domain.

Therefore, the Company has three reported segments: "Emotional Value Solutions Business," "Devices Solutions Business," and "Systems Solutions Business," based on the solutions provided by the strategic domains.

The main merchandise and finished goods belonging to each reported segment are as follows:

Reported Segment	Main merchandise and finished goods
Emotional Value Solutions Business	Watches / Watch movements / Clocks / High-end jewelry, apparel, and fashion accessories
Devices Solutions Business	Micro batteries and materials / Crystal resonators / Precision components / Printers / Quartz oscillator ICs
Systems Solutions Business	Hardware and software solutions (IoT/AI solutions), DX platform solutions (CX/EX, digital trusts, performance management, security), cashless solutions, facility solutions (large display boards, sports timing devices)
Others	Shared services / Real estate leasing / Others

### **(Changes in reported segments)**

From the first quarter of the current consolidated fiscal year, the clock sales business of Seiko Time Creation Inc. has been transferred to Seiko Watch Corporation, and Seiko Time Creation Inc., which was previously included in the Emotional Value Solutions Business, has been reclassified to the Systems Solutions Business.

In addition, Seiko Future Creation Inc., which was previously included in the Devices Solutions Business, has been reclassified under Others.

Please note that the segment information for the fiscal year ended March 31, 2025 in "3. Amount of sales, profit (loss), and asset for each reported segment" has been prepared based on the revised segments.

### **2. Explanation of measurements of sales, profit (loss), asset for each reported segment**

The accounting method for the reported segments is the same as basis of preparation for the consolidated financial statements. Intersegment transactions are primarily based on market prices.

### 3. Amount of sales, profit (loss), and asset for each reported segment

For the fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)

(¥ million)

	Reported segments				Others (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total				
Sales								
Revenues from external customers	196,193	55,891	50,289	302,374	1,903	304,277	467	304,744
Transactions with other segments	2,964	4,145	2,499	9,609	1,501	11,111	(11,111)	-
Net sales	199,158	60,037	52,788	311,983	3,404	315,388	(10,644)	304,744
Segment profit	22,213	2,777	5,190	30,182	235	30,417	(9,177)	21,240
Segment asset	156,075	75,017	43,406	274,499	24,723	299,222	70,013	369,236

- Notes:
1. The “Others” category denotes operating segments not included among reported segments, such as the Shared Services Business.
  2. Adjustments are as follows:
    - (1) Adjustment to revenues from external customers in the amount of ¥467 million is royalty income at headquarters, unallocated to operating segments.
    - (2) Adjustments to segment profit in the amount of -¥9,177 million include -¥566 million in the amortization of goodwill, ¥331 million that mainly consists of the elimination of transactions with other segments, and -¥8,942 million in company-wide expenses not appropriated to each operating segment. Company-wide expenses primarily consist of expenses incurred at headquarters, unallocated to operating segments.
    - (3) Adjustments to segment assets in the amount of ¥70,013 million include -¥80,906 million in the elimination of inter-segment liabilities, ¥200,595 million in company-wide assets not appropriated to each reported segment, and -¥49,675 million that mainly consists of the elimination of investments and equity. Company-wide assets consist of surplus funds and long-term investment funds (investment securities) at headquarters, etc.
  3. Segment profit has been adjusted for alongside operating profit on the consolidated statements of income.

**For the fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026)**

(¥ million)

	Reported segments				Others (Note 1)	Grand total	Adjustment (Note 2)	Figures in consolidated statements of income (Note 3)
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total				
Sales								
Revenues from external customers	218,009	59,846	55,063	332,919	2,202	335,122	564	335,686
Transactions with other segments	2,437	5,104	2,102	9,644	2,086	11,731	(11,731)	-
Net sales	220,447	64,950	57,165	342,563	4,289	346,853	(11,166)	335,686
Segment profit	28,590	3,816	5,500	37,908	249	38,157	(7,284)	30,873
Segment asset	169,301	80,609	48,173	298,083	25,797	323,881	60,000	383,881

- Notes:
1. The “Others” category denotes operating segments not included among reported segments, such as the Shared Services Business.
  2. Adjustments are as follows:
    - (1) Adjustment to revenues from external customers in the amount of ¥564 million is royalty income at headquarters, unallocated to operating segments.
    - (2) Adjustments to segment profit in the amount of -¥7,284 million include -¥566 million in the amortization of goodwill, ¥266 million that mainly consists of the elimination of transactions with other segments, and -¥6,984 million in company-wide expenses not appropriated to each operating segment. Company-wide expenses primarily consist of expenses incurred at headquarters, unallocated to operating segments.
    - (3) Adjustments to segment assets in the amount of ¥60,000 million include -¥77,226 million in the elimination of inter-segment liabilities, ¥187,000 million in company-wide assets not appropriated to each reported segment, and -¥49,773 million that mainly consists of the elimination of investments and equity. Company-wide assets consist of surplus funds and long-term investment funds (investment securities) at headquarters, etc.
  3. Segment profit has been adjusted for alongside operating profit on the consolidated statements of income.

**(Impairment losses of non-current assets by reporting segment)****For the fiscal year ended March 31, 2025 (From April 1, 2024 to March 31, 2025)**

(¥ million)

	Reported segments				Others	Adjustment	Grand total
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total			
Impairment losses	116	1,883	217	2,217	-	-	2,217

**For the fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026)**

(¥ million)

	Reported segments				Others	Adjustment	Grand total
	Emotional Value Solutions Business	Devices Solutions Business	Systems Solutions Business	Total			
Impairment losses	-	938	-	938	-	-	938

**(Per share information)**

(Yen)

	Current fiscal year (from April 1, 2025 to March 31, 2026)
Net assets per share	2,150.47
Basic earnings per share	268.93

Notes: 1. For the purpose of calculating the basic earnings per share, the treasury shares remaining in trust posted as treasury shares in the “Shareholders’ equity” section are included in the treasury shares deducted in the calculation of the average number of shares during the fiscal year (909 thousand shares for the current fiscal year).

For the purpose of calculating the net assets per share, the treasury shares so remaining in trust are included in the treasury shares deducted from the total number of shares issued and outstanding at the end of the fiscal year (898 thousand shares for the current fiscal year).

2. Diluted net income per share is not provided as there are no potentially dilutive shares.

3. The Company conducted a two-for-one stock split of its common shares effective April 1, 2026. Net assets per share and basic earnings per share have been calculated on the assumption that the stock split had been conducted at the beginning of the current fiscal year.

4. Calculation basis of net assets per share is as follows:

(¥ million)

	Current fiscal year (as of March 31, 2026)
Total net assets	177,502
Amounts deducted from total net assets	1,719
<i>Of which, non-controlling interests</i>	<i>1,719</i>
Net assets at the end of the fiscal year related to common shares	175,783
The number of common shares at the end of the fiscal year used to calculate net assets per share (Thousands of shares)	81,741

5. Calculation basis of basic earnings per share is as follows:

(¥ million)

	Current fiscal year (from April 1, 2025 to March 31, 2026)
Basic earnings per share:	
Profit attributable to owners of parent	21,980
Profit attributable to owners of parent pertaining to common stock	21,980
Average number of shares of common stock outstanding during the period (Thousands of shares)	81,731



**(Significant subsequent events)**

**For the fiscal year ended March 31, 2026 (From April 1, 2025 to March 31, 2026)**

On April 1, 2026, the Company conducted a share split based on a resolution at the Board of Directors meeting held on February 10, 2026.

**(1) Purpose of the share split**

By reducing the amount per investment unit of the Company's share, the Company aims to create an environment in which investors can invest more easily and to expand population of the Company's potential investors.

**(2) Outline of the share split**

**(i) Method of division**

Each share of Company's common share owned by shareholders recorded in its closing register of shareholders on the record date of March 31, 2026 will be split into two shares.

**(ii) Number of shares to be increased by the share split**

	(Shares)
Total number of issued shares prior to the share split	41,404,261
Number of shares to be increased by the share split	41,404,261
Total number of issued shares after the share split	82,808,522
Total number of authorized shares after the share split	298,400,000

**(iii) Schedule**

Public notice of the record date	March 13, 2026
Record date	March 31, 2026
Effective date	April 1, 2026

**(iv) Impacts on Per Share Information**

Impacts on per share information are reflected in "Per share information."