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Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



July 30, 2025

Company name: DAIHATSU INFINEARTH MFG.CO.,LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 6023
URL: <https://www.d-infi.com>
Representative: Yoshinobu Hotta, President
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Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	20,980	3.0	1,487	(4.3)	1,483	(18.0)	1,172	(11.3)
June 30, 2024	20,369	15.6	1,555	245.1	1,809	174.2	1,321	182.8

(Note) Comprehensive income: Three months ended June 30, 2025: 1,126 million yen [(14.6)%]
Three months ended June 30, 2024: 1,320 million yen [166.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	46.15	-
June 30, 2024	41.75	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2025	96,628	43,758	45.2
As of March 31, 2025	96,107	44,206	45.9

(Reference) Equity: As of June 30, 2025: 43,699 million yen
As of March 31, 2025: 44,153 million yen

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	0.00	-	62.00	62.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		0.00	-	62.00	62.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

(%) indicates changes from the previous corresponding period)									
	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	38,000	(11.4)	1,700	(46.6)	1,700	(45.0)	1,200	(43.6)	47.24
Full year	82,000	(7.6)	5,000	(34.5)	5,000	(34.2)	3,500	(38.8)	137.79

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

- (1) Significant changes in the scope of consolidation during the period: No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - June 30, 2025: 31,850,000 shares
 - March 31, 2025: 31,850,000 shares
 - 2) Total number of treasury shares at the end of the period:
 - June 30, 2025: 6,450,625 shares
 - March 31, 2025: 6,450,625 shares
 - 3) Average number of shares during the period:
 - Three months ended June 30, 2025: 25,399,375 shares
 - Three months ended June 30, 2024: 31,649,132 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by a certified public accountant or audit corporation: None

* Explanation of the proper use of financial results forecast and other notes

The financial results forecasts and other forward-looking statements herein are based on information and certain assumptions deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attached material for the assumptions the financial results forecasts are based on, and notes on their use.

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1. Summary of Operating Results, etc.

(1) Summary of Operating Results for the Period under Review

During the three months under review (from April 1, 2025 to June 30, 2025), the Japanese economy was on a gradual recovery trend due to improvements in the employment and income environments, despite sluggish consumer spending caused by soaring commodity prices and other factors. Meanwhile, the situation remained uncertain against a backdrop of the emergence of geopolitical risks and a sense of uncertainty over the outlook for the U.S. trade policies.

Looking at the world economy, economic growth has been slowing, particularly in developed countries, although the overall inflation rate was on a declining trend. Furthermore, heightened protectionist trade policies by the United States have increased uncertainty in the trade and investment environment. China's economy remained stagnant, and a gradual recover trend was seen in Europe. Meanwhile, the situation remained unstable due to the risk of an economic slowdown stemming from tariff negotiations with the United States.

In the shipbuilding and maritime industry, the primary industry in which the Company makes its sales, the market generally remained on an upward trend against a backdrop of the global increase in ocean cargo volumes. Accordingly, orders for new vessels showed a significant recovery trend, and shipbuilding companies have ensured a sufficient amount of work on hand, driven by an increase in orders.

Under such a corporate environment, the Group's sales have remained strong for small- and medium-sized engines mainly for tankers and bulk carriers, while there has been a continued solid demand for maintenance.

As a result, net sales for the three months under review increased by 3.0% year-on-year to 20,980 million yen. In terms of profit, operating profit decreased by 4.3% year-on-year to 1,487 million yen, ordinary profit decreased by 18.0% year-on-year to 1,483 million yen, and profit attributable to owners of parent decreased by 11.3% year-on-year to 1,172 million yen.

Performance by business segment of the Company and the consolidated Group are as follows.

<Internal combustion engines>

1. Marine-use

Net sales increased by 1.7% year-on-year to 18,694 million yen and segment income increased by 9.6% year-on-year to 2,700 million yen, due to increases in sales of engines and maintenance-related sales, an effect of fluctuation of foreign exchange rates, and other factors.

2. Land-use

Net sales increased by 6.6% year-on-year to 1,229 million yen and segment loss of 239 million yen was recorded (a segment loss of 94 million yen in the previous corresponding period) due to deterioration of the profitability and other factors despite an increase in sales of engines.

Consequently, net sales for the segment increased by 2.0% year-on-year to 19,923 million yen, and segment income increased by 3.9% year-on-year to 2,461 million yen.

<Other>

1. Industrial machinery-related

In the aluminum wheel division, both net sales and segment income increased due to an increase in sales volume.

2. Real estate leasing-related

In real estate leasing-related, net sales increased slightly and segment income increased.

3. Electricity sales-related

In electricity sales-related, net sales increased while segment income decreased.

4. Precision parts-related

In precision parts-related, net sales increased while segment income decreased.

Consequently, net sales for the segment increased by 27.2% year-on-year to 1,056 million yen, and segment

income increased by 0.3% year-on-year to 78 million yen.

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

In assets as of the end of the first quarter under review, cash and deposits increased by 3,300 million yen from the end of the previous fiscal year. Inventories rose by 586 million yen from the end of the previous fiscal year. Meanwhile, due to progress made in collection of trade receivables at the end of the previous fiscal year, notes and accounts receivable - trade, and contract assets decreased by 2,081 million yen. Other items under current assets decreased by 1,162 million yen mainly due to a decrease in consumption taxes refund receivable. As a result, total assets increased by 520 million yen from the end of the previous fiscal year to 96,628 million yen.

In liabilities, notes and accounts payable - trade and electronically recorded obligations - operating in total increased by 819 million yen from the end of the previous fiscal year. Other items under current liabilities increased by 2,792 million yen mainly due to an increase in advances received. Meanwhile, income taxes payable decreased by 1,089 million yen due to tax payments, accrued expenses decreased by 792 million yen, and provision for bonuses decreased by 668 million yen. As a result, total liabilities increased by 968 million yen from the end of previous fiscal year to 52,869 million yen.

In net assets, retained earnings decreased by 402 million yen mainly due to dividends paid. As a result, total net assets decreased by 447 million yen from the end of the previous fiscal year to 43,758 million yen. The equity ratio at the end of the first quarter under review decreased by 0.7 points from the end of the previous fiscal year to 45.2%.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

As to the consolidated financial results forecast for the fiscal year ending March 31, 2026, no revisions have been made to the forecast announced on April 28, 2025.

The forecasts stated herein are based on information available to the Company as of the date of publication of this document. Actual results may differ from these forecasts due to a wide range of factors that may arise in the future.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	21,521	24,822
Notes and accounts receivable - trade, and contract assets	20,976	18,895
Inventories	16,907	17,493
Other	4,177	3,014
Allowance for doubtful accounts	(10)	(8)
Total current assets	63,573	64,217
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,834	8,718
Machinery, equipment and vehicles, net	5,950	6,032
Land	5,960	5,960
Construction in progress	3,862	3,711
Other, net	1,281	1,304
Total property, plant and equipment	25,889	25,727
Intangible assets	535	511
Investments and other assets		
Investment securities	1,472	1,516
Deferred tax assets	4,077	4,079
Other	562	578
Allowance for doubtful accounts	(2)	(3)
Total investments and other assets	6,109	6,171
Total non-current assets	32,534	32,410
Total assets	96,107	96,628

(Million yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,656	6,132
Electronically recorded obligations - operating	6,707	7,051
Short-term borrowings	3,743	3,741
Lease liabilities	60	52
Income taxes payable	1,357	268
Provision for bonuses	1,286	618
Provision for bonuses for directors (and other officers)	156	24
Accrued expenses	6,291	5,498
Other	6,462	9,254
Total current liabilities	31,722	32,641
Non-current liabilities		
Long-term borrowings	10,485	10,300
Lease liabilities	60	59
Provision for retirement benefits for directors (and other officers)	58	42
Retirement benefit liability	6,930	7,178
Asset retirement obligations	269	273
Other	2,374	2,373
Total non-current liabilities	20,179	20,228
Total liabilities	51,901	52,869
Net assets		
Shareholders' equity		
Share capital	2,434	2,434
Capital surplus	2,236	2,236
Retained earnings	49,298	48,895
Treasury shares	(11,202)	(11,202)
Total shareholders' equity	42,766	42,364
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	676	706
Deferred gains or losses on hedges	61	94
Foreign currency translation adjustment	223	204
Remeasurements of defined benefit plans	426	329
Total accumulated other comprehensive income	1,386	1,335
Non-controlling interests	53	59
Total net assets	44,206	43,758
Total liabilities and net assets	96,107	96,628

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

For the three months ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	20,369	20,980
Cost of sales	15,467	16,179
Gross profit	4,901	4,800
Selling, general and administrative expenses		
Selling expenses	2,455	2,261
General and administrative expenses	890	1,051
Total selling, general and administrative expenses	3,346	3,312
Operating profit	1,555	1,487
Non-operating income		
Interest income	1	4
Dividend income	37	19
Foreign exchange gains	161	-
Outsourcing service income	4	17
Reversal of allowance for doubtful accounts	0	1
Miscellaneous income	87	52
Total non-operating income	290	94
Non-operating expenses		
Interest expenses	33	36
Foreign exchange losses	-	55
Miscellaneous losses	3	8
Total non-operating expenses	37	99
Ordinary profit	1,809	1,483
Extraordinary income		
National subsidies	23	-
Total extraordinary income	23	-
Extraordinary losses		
Loss on abandonment of non-current assets	7	32
Total extraordinary losses	7	32
Profit before income taxes	1,825	1,451
Income taxes - current	230	258
Income taxes - deferred	264	13
Total income taxes	494	272
Profit	1,330	1,178
Profit attributable to non-controlling interests	8	6
Profit attributable to owners of parent	1,321	1,172

Quarterly Consolidated Statements of Comprehensive Income

For the three months ended June 30

(Million yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	1,330	1,178
Other comprehensive income		
Valuation difference on available-for-sale securities	63	30
Deferred gains or losses on hedges	(140)	33
Foreign currency translation adjustment	62	(18)
Remeasurements of defined benefit plans, net of tax	4	(97)
Total other comprehensive income	(10)	(51)
Comprehensive income	1,320	1,126
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,311	1,120
Comprehensive income attributable to non-controlling interests	8	6

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in shareholders' equity)

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

There is no relevant information.

(Notes on consolidated statements of cash flows)

Quarterly consolidated statements of cash flows are not prepared for the three months ended June 30, 2025.

Depreciation (including amortization of intangible assets) for the three months ended June 30 is as follows.

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	725 million yen	750 million yen

(Notes on segment information, etc.)

1. Information on net sales and profit (loss) by reportable segment

For the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Million yen)

	Reportable segment			Other (Notes)*1	Total	Adjustment (Notes)*2	Amount recorded in Quarterly Consolidated Statements of Income (Notes)*3
	Marine-use engines	Land-use engines	Total				
Net sales							
Net sales to outside customers	18,384	1,153	19,538	830	20,369	-	20,369
Inter-segment net sales or transfers	-	-	-	-	-	-	-
Total	18,384	1,153	19,538	830	20,369	-	20,369
Segment income (loss)	2,463	(94)	2,368	77	2,446	(890)	1,555

(Notes) *1 The “Other” category is a business segment that is not included in reportable segments, and includes the industrial machinery-related business, the real estate leasing-related business, the electricity sales-related business and the precision parts-related business.

*2 The adjustment for segment income (loss) represents corporate expenses, largely consisting of selling, general and administrative expenses not attributable to the reportable segments.

*3 Segment income (loss) is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Million yen)

	Reportable segment			Other (Notes)*1	Total	Adjustment (Notes)*2	Amount recorded in Quarterly Consolidated Statements of Income (Notes)*3
	Marine-use engines	Land-use engines	Total				
Net sales							
Net sales to outside customers	18,694	1,229	19,923	1,056	20,980	-	20,980
Inter-segment net sales or transfers	-	-	-	-	-	-	-
Total	18,694	1,229	19,923	1,056	20,980	-	20,980
Segment income (loss)	2,700	(239)	2,461	78	2,539	(1,051)	1,487

(Notes) *1 The “Other” category is a business segment that is not included in reportable segments, and includes the industrial machinery-related business, the real estate leasing-related business, the electricity sales-related business and the precision parts-related business.

*2 The adjustment for segment income (loss) represents corporate expenses, largely consisting of selling, general and administrative expenses not attributable to the reportable segments.

*3 Segment income (loss) is adjusted with operating profit on the Quarterly Consolidated Statements of Income.

3. Supplementary Information

(1) Status of Production, Orders Received, and Sales

For the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1) Production

Production by segment for the three months ended June 30, 2025 is as follows:

(Million yen)

Segment	Volume	Amount	Year-on-year change
			%
Internal combustion engines	Horsepower		
Marine-use engines	271,354	18,694	1.7
Land-use engines	408	1,229	6.6
Other	-	898	33.3
Total		20,822	3.0

(Notes) *1 Amounts are based on sales prices.

*2 The figures above do not include consumption taxes.

2) Orders received

Orders by segment for the three months ended June 30, 2025 are as follows:

(Million yen)

Segment	Orders received			Order backlogs		
	Volume	Amount	Year-on-year change	Volume	Amount	Year-on-year change
Internal combustion engine	Horsepower		%	Horsepower		%
Marine-use engines	542,525	32,924 [24,050]	66.0	2,077,138	80,835 [49,803]	40.2
Land-use engines	14,808	3,691 [269]	19.6	81,824	9,621 [572]	6.7
Other	-	1,064 [-]	(4.3)	-	1,466 [-]	(0.9)
Total		37,680 [24,320]	56.8		91,923 [50,375]	34.8

(Notes) *1 Amounts are based on sales prices.

*2 Figures in brackets [] indicate export orders received and the balance of export orders outstanding, and are included in totals.

*3 The figures above do not include consumption taxes.

3) Sales results

Sales by segment for the three months ended June 30, 2025 are as follows:

(Million yen)

Segment	Volume	Amount	Export ratio	Year-on-year change
	Horsepower		%	%
Internal combustion engine				
Marine-use engines	271,354	18,694 [11,585]	62.0	1.7
Land-use engines	408	1,229 [66]	5.4	6.6
Other	-	1,056 [-]	-	27.2
Total		20,980 [11,651]	55.5	3.0

(Notes) *1 Figures in brackets [] indicate export volume, and are included in totals.

*2 Major export destinations and compositions are as follows:

Asia (69.1%), Europe (20.5%), Latin America (5.1%), North America (4.3%), Others (1.0%)

*3 The “Other” segment includes precision parts-related (644 million yen), industrial machinery-related (254 million yen) and real estate leasing-related (157 million yen).

*4 The figures above do not include consumption taxes.