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 (Securities code: 6699; Prime Market)
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Notice Concerning the Discrepancy between Forecast and Actual Consolidated Results for 2Q FY2026/3, and Revision of the Annual Profit Forecast

Diamond Electric Holdings Co., Ltd. ("the Company") hereby announces that discrepancy has arisen between the consolidated earnings forecast for the 2Q FY2026/3, previously announced on May 28, 2025, and the actual results announced today, November 14, 2025.

Consequently, the Company revised its full-year consolidated earnings forecast for FY2026/3, based on the latest business performance trends and the future outlook, as detailed below.

1. Discrepancy between Forecast and Actual Consolidated Results

(1) Discrepancy for 2Q FY2026/3 (April 1, 2025 to September 30, 2025)

	Net Sales	Operating Profit	Ordinary Profit	Interim Net Profit Attributable to Owners of the Parent	Interim Net Profit per Share
Previous forecast (A)	Million JPY 46,400	Million JPY 750	Million JPY 130	Million JPY -60	JPY -7.16
Actual results (B)	46,628	1,388	1,146	425	50.46
Amount of change (B-A)	228	638	1,016	485	-
Rate of change (%)	0.5	85.2	782.1	-	-

(2) Reasons for the Discrepancy

Net Sales: The Mobility Equipment business recorded higher sales, reflecting increased production of internal combustion engine (ICE) vehicles, primarily in China and the U.S., amid a market recognition that electric vehicles are not the sole solution, as well as the positive impact of the weaker JPY. However, this was offset by the Energy Solutions business, which faced a temporary plateau due to factors such as the entry of overseas manufacturers and delays of replacement sales. As a result, overall net sales for the business as a whole were generally in line with the forecast.

Operating profit: Profitability steadily improved by the continuation of various company-wide measures, firstly the annual President's General Inspection conducted at all factories serving as the centerpiece, rigorously implemented across the organization worldwide and Comrades* united under the principle "Meet customer quality standards," leading to defect elimination, cost reduction, and expense control. In individual business segments, Mobility Equipment business has successfully implemented structural reforms and improved its profit structure through company-wide efforts to strengthen customer engagement spearheaded by top management, despite the impact of U.S. tariffs. Meanwhile, the Energy

Solutions Business achieved improvements in its market-related expenses. As a result of these initiatives, operating profit exceeded the forecast by JPY 638 million.

Ordinary profit: Ordinary profit significantly exceeded the forecast by JPY 1,016 million, reflecting the increase in operating profit and the recording of non-operating income of JPY 162 million in foreign exchange gains resulting from exchange rate fluctuations.

Interim net profit attributable to owners of the parent company: It exceeded the forecast by JPY 485 million, despite recording JPY 622 million in tax expenses due to the increase in ordinary profit.

2. Revision of the Consolidated Earnings Forecast

(1) Full-year Consolidated Earnings Forecast for FY2026/3 (April 1, 2025 to March 31, 2026)

	Net Sales	Operating Profit	Ordinary Profit	Net Profit Attributable to Owners of the Parent	Net Profit per Share
Previous Forecast (A)	Million JPY 94,300	Million JPY 2,000	Million JPY 800	Million JPY 250	JPY 29.84
Revised Forecast (B)	91,700	2,000	1,150	380	45.07
Amount of Change (B-A)	-2,600	0	350	130	-
Rate of Change (%)	-2.8	-	43.8	52.0	-
(Reference: Fiscal year ended March 31, 2025)	91,724	2,270	1,467	411	49.14

(2) Reasons for the Revision

Based on the results for 2Q FY2026/3, **full-year net sales** are expected to be lower than the previous forecast. While the trend of increased production for ICE vehicles in the Mobility Equipment Business is expected to continue from the first half, the Energy Solutions Business remains under challenging conditions due to persisting "red ocean" conditions characterized by intense, price-driven competition resulting from the full-scale entry of overseas manufacturers.

Operating profit is expected to remain in line with the previous forecast despite the impact of lower net sales. This is due to ongoing, company-wide global improvement activities by Comrades* under the leadership of the President, working together to promote labor-saving manufacturing automation and other enhancements.

Due to the impact of foreign exchange rate fluctuations, **ordinary profit** is expected to exceed the previous forecast. **Net profit attributable to owners of the parent company** is also expected to surpass the previous forecast, reflecting the increase in ordinary profit and a review of the associated tax expenses. Accordingly, the Company has revised its earnings forecast upward.

*Comrade: I intentionally call employees Comrades as they are far more than colleagues or teammates: we have overcome fierce struggles against all odds in the past and now fight for a bright future, powered by our "Scrum of Fire," a symbol of burning passion binding us as one. (ONO YuuRi, President and CEO)

Note: This document is a translation of the original Japanese version. In the event of any discrepancies in meaning or wording between the English and Japanese versions, the Japanese version shall prevail.