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October 30, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: Futaba Industrial Co., Ltd.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 7241

URL: <https://www.futabasangyo.com>

Representative: Yoshihiro Uozumi, President

Inquiries: Yoshihiro Kobayashi, Accounting Manager

Telephone: +81-564-31-2211

Scheduled date to file semi-annual securities report: November 10, 2025

Scheduled date to commence dividend payments: November 26, 2025

Preparation of supplementary material on financial results: Yes

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

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(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	%
Six months ended September 30, 2025	329,478	(5.7)	8,607	58.1	8,786	146.4	6,390	302.4
September 30, 2024	349,312	(13.4)	5,446	(42.3)	3,565	(62.6)	1,588	(76.4)

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 8,498 million [-%]
For the six months ended September 30, 2024: ¥ (4,892) million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	71.40	-
September 30, 2024	17.75	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	307,009	129,729	40.2
March 31, 2025	313,913	123,165	37.5

Reference: Equity

As of September 30, 2025: ¥ 123,428 million
As of March 31, 2025: ¥ 117,620 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	17.00	-	21.00	38.00
Fiscal year ending March 31, 2026	-	20.00			
Fiscal year ending March 31, 2026 (Forecast)			-	20.00	40.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Full year	650,000	(8.1)	16,000	5.4	16,000	20.5	12,000	93.3	134.10

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: - companies()

Excluded: 2 companies(Futaba Sumi Corporation)
(Changsha Futaba Auto Parts Co., Ltd.)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(Note) Please see “2. Semi-annual Consolidated Financial Statements, (3) Notes to Semi-annual Consolidated Financial Statements” on page 7 of the Supplementary Information for more details.

(3) 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

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	89,580,827 shares
As of March 31, 2025	89,580,827 shares

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

As of September 30, 2025	59,254 shares
As of March 31, 2025	91,055 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	89,502,693 shares
Six months ended September 30, 2024	89,475,700 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements contained in this report are based on information currently available to management. As such, these estimates are subject to uncertainties. In addition, actual results may differ materially from those discussed in the forward-looking statement due to in changes in the economy, markets, stock prices and exchange rates.

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1. Qualitative information on consolidated financial results for six months ended September 30, 2025 under review

(1) Explanation of results of operations

The Group aims to enhance corporate value by positioning operating profit margin and ROE (Return on Equity) as key management indicators, and the Group is working towards improving these metrics. As part of this effort, the Group has set targets for medium-term management plan covering the period from 2025 to 2027, with the goal of achieving an operating profit margin of 5.0% (excluding DS parts) and an ROE of 10.0% for the fiscal year 2027. The medium-term management plan for 2025 to 2027 is regarded as a period for growth investments, and the Group will continue activities aimed at achieving stable global growth by 2030. As important long-term challenges, the Group will promote the following initiatives

- (1) Growth Strategy
 - Body Parts Business : Development and capability enhancement aimed at sales expansion.
 - Exhaust Parts Business : Development of new systems to meet electrification needs.
 - New Business : Accelerating development for early commercialization
 - India Business : Expansion of operations and strengthening of the business foundation in a growing market.
- (2) Earning Power
 - Strengthening activities aimed at achieving an operating profit margin of 5.0% (Excluding DS parts)
- (3) Human Resources
 - Ensuring everyone can contribute and enhancing employee engagement.
 - Health-oriented business administration
- (4) Carbon Neutral
 - Global : Reduce CO2 emissions from factories by over 50% by fiscal year 2030 compared to fiscal year 2019.
 - Japan : Challenging to achieve carbon neutrality by 2030.

(5) Financial Capital Strategy

- Management focused on capital costs and stock prices to improve PBR (Price-to-Book Ratio).

Based on these initiatives, the Group will further enhance global management and revenue base while investing resources in digitalization and innovation in manufacturing. The goal is to become a robust and sustainable global company, and the Group will continue to strive towards this objective.

For the six months ended September 30, 2025 under review, net sales decreased 5.7% year on year, to ¥329.4 billion due to decline in prices of DS parts, fluctuations in material costs, and exchange rate. On the profit side, due to the rise in real sales, excluding the impact of DS parts, fluctuations in material costs, and exchange rate, as well as improvements through rationalization and the implementation of price pass-through, led to an operating profit increase of 58.1% year on year, to ¥8.6 billion. Ordinary profit increased by 146.4% to ¥8.7 billion year on year. Profit attributable to owners of parent increased 302.4% year on year, to ¥6.3 billion.

Geographic segment performance was as follows.

1) Japan

Net sales decreased 0.8% year on year to ¥157.5 billion. However, real sales excluding DS parts and fluctuations in material costs increased, and improvements through rationalization and the implementation of price pass-through resulted in a segment profit increase of 34.8% to ¥3.1 billion.

2) North America

Net sales decreased 17.0% year on year to ¥88.4 billion. However, real sales excluding DS parts, fluctuations in material costs, and exchange rate effects increased, and improvements through rationalization and the implementation of price pass-through resulted in a segment profit increase of 221.0% to ¥2.9 billion.

3) Europe

Net sales decreased 0.3% year on year to ¥29.9 billion. Segment profit was up 12.1% to ¥0.6 billion.

4) China

Net sales decreased 2.8% year on year to ¥32.9 billion. Segment profit was up 97.3% to ¥1.5 billion.

5) Asia

Net sales increased 0.2% year on year to ¥25.6 billion. Segment profit was down 62.7% to ¥0.3 billion.

(2) Explanation of financial position

Total assets as of September 30, 2025, were ¥307.0 billion, a decrease of ¥6.9 billion compared to the end of the previous fiscal year, mainly due to a decrease in Accounts Receivable. Total liabilities amounted to ¥177.2 billion, down ¥13.4 billion from the end of the previous fiscal year, chiefly attributable to a decrease in Accounts Payable. Net assets came to ¥129.7 billion, up ¥6.5 billion from the end of the previous fiscal year, chiefly attributable to an increase in retained earnings.

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	13,719	15,103
Electronically recorded monetary claims - operating	3,032	3,216
Accounts receivable - trade	87,220	75,863
Finished goods	5,596	4,897
Work in process	17,263	17,763
Raw materials and supplies	7,354	7,460
Other	12,251	11,363
Total current assets	146,439	135,670
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	34,165	34,235
Machinery, equipment and vehicles, net	47,715	47,284
Tools, furniture and fixtures, net	8,434	6,919
Land	14,951	14,992
Leased assets, net	3,230	3,327
Construction in progress	22,956	27,154
Total property, plant and equipment	131,454	133,914
Intangible assets	1,929	1,787
Investments and other assets		
Investment securities	20,399	22,077
Long-term loans receivable	32	27
Retirement benefit asset	11,980	12,017
Deferred tax assets	1,316	1,193
Other	599	560
Allowance for doubtful accounts	(239)	(238)
Total investments and other assets	34,089	35,637
Total non-current assets	167,473	171,339
Total assets	313,913	307,009

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	2,827	2,501
Accounts payable - trade	84,743	72,015
Short-term borrowings	6,891	6,052
Current portion of long-term borrowings	13,514	23,077
Income taxes payable	3,638	3,177
Accrued consumption taxes	1,490	1,403
Provision for bonuses for directors (and other officers)	30	15
Accrued expenses	15,582	15,120
Other	9,352	12,328
Total current liabilities	138,070	135,693
Non-current liabilities		
Bonds payable	6,000	6,000
Long-term borrowings	27,500	16,262
Deferred tax liabilities	7,941	7,910
Provision for product warranties	318	325
Provision for decommissioning and removal	933	933
Provision for environmental measures	148	148
Retirement benefit liability	6,762	7,018
Other	3,073	2,989
Total non-current liabilities	52,677	41,586
Total liabilities	190,747	177,280
Net assets		
Shareholders' equity		
Share capital	16,820	16,820
Capital surplus	9,197	9,207
Retained earnings	61,790	66,302
Treasury shares	(37)	(24)
Total shareholders' equity	87,771	92,305
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,053	11,295
Foreign currency translation adjustment	14,665	15,033
Remeasurements of defined benefit plans	5,130	4,794
Total accumulated other comprehensive income	29,849	31,123
Non-controlling interests	5,545	6,301
Total net assets	123,165	129,729
Total liabilities and net assets	313,913	307,009

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	349,312	329,478
Cost of sales	328,907	305,610
Gross profit	20,405	23,867
Selling, general and administrative expenses	14,958	15,259
Operating profit	5,446	8,607
Non-operating income		
Interest income	278	204
Dividend income	317	315
Gain on sale of scraps	147	108
Share of profit of entities accounted for using equity method	59	20
Gain on valuation of derivatives	690	-
Miscellaneous income	300	232
Total non-operating income	1,794	881
Non-operating expenses		
Interest expenses	419	395
Loss on abandonment of non-current assets	330	107
Foreign exchange losses	2,273	15
Loss on valuation of derivatives	-	72
Business structure improvement expenses	563	-
Miscellaneous losses	87	111
Total non-operating expenses	3,674	702
Ordinary profit	3,565	8,786
Extraordinary income		
Gain on sale of investment securities	783	-
Gain on liquidation of subsidiaries and associates	9	550
Total extraordinary income	793	550
Profit before income taxes	4,359	9,336
Income taxes	2,553	2,201
Profit	1,805	7,135
Profit attributable to non-controlling interests	216	744
Profit attributable to owners of parent	1,588	6,390

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	1,805	7,135
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,675)	1,241
Foreign currency translation adjustment	(1,999)	492
Remeasurements of defined benefit plans, net of tax	(485)	(336)
Share of other comprehensive income of entities accounted for using equity method	462	(35)
Total other comprehensive income	(6,697)	1,362
Comprehensive income	(4,892)	8,498
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,889)	7,664
Comprehensive income attributable to non-controlling interests	(3)	833

(3) Notes to Semi-annual consolidated financial statements

(Notes to going concern assumptions)

None

(Notes to significant changes in shareholders' equity)

None

(Changes in consolidation scope or application of the equity method)

(Changes in consolidation scope)

During the six months ended September 30, 2025, Futaba Sumi Corporation, which had been a consolidated subsidiary of the Company, was excluded from the scope of consolidation due to its dissolution through an absorption-type merger, with the Company as the surviving entity.

In addition, during the same period, Changsha Futaba Auto Parts Co., Ltd., which had also been a consolidated subsidiary of the Company, was excluded from the scope of consolidation following the completion of its liquidation procedures.

(Application of specific accounting for preparing the semi-annual consolidated financial statements)

(Calculation of tax expenses)

Tax expenses for the Company and some of its consolidated subsidiaries are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the first quarter of the current fiscal year, and multiplying profit before income taxes by the estimated effective tax rate.

(Notes Related to the Semi-annual Consolidated Statement of Income)

(Application of accounting procedures and disclosure of income taxes related to the global minimum tax rules)

The Company applies paragraph 7 of accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules (ASBJ PITF No. 46, March 22, 2024) and does not record income taxes related to the global minimum tax rules in the consolidated financial statements for the first three months of the fiscal year under review.

(Segment information)

For the six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

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

(Millions of yen)

	Reportable segments						Adjustments (Note 1)	Total (Note 2)
	Japan	North America	Europe	China	Asia	Total		
Net sales								
Of which to outside customers	153,343	106,476	30,044	33,836	25,612	349,312	—	349,312
Of which inter-segment and transfers	5,420	21	1	7	1	5,452	(5,452)	—
Total	158,763	106,497	30,045	33,843	25,614	354,764	(5,452)	349,312
Segment profit	2,364	911	578	792	810	5,457	(11)	5,446

Notes: 1. The segment profit adjustment of negative ¥11 million is for the elimination of intersegment transactions.

2. Segment profit is adjusted to the operating profit in Semi-annual consolidated statements of income.

For the six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

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

(Millions of yen)

	Reportable segments						Adjustments (Note 1)	Total (Note 2)
	Japan	North America	Europe	China	Asia	Total		
Net sales								
Of which to outside customers	152,591	88,371	29,939	32,910	25,664	329,478	—	329,478
Of which inter- segment and transfers	4,951	28	1	1	4	4,987	(4,987)	—
Total	157,543	88,400	29,941	32,911	25,668	334,465	(4,987)	329,478
Segment profit	3,188	2,925	648	1,563	302	8,628	(20)	8,607

Notes: 1. The segment profit adjustment of negative ¥20 million is for the elimination of intersegment transactions.

2. Segment profit is adjusted to the operating profit in Semi-annual consolidated statements of income.

Supplementary data for FY2025 (2025.4 – 2025.9)

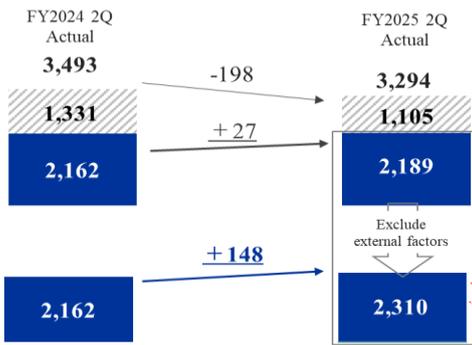
1. Consolidated financial results

(Million yen)

	FY2025 (2025.4 - 2025.9)		FY2024 (2024.4 - 2024.9)		Change		FY2025 (Forecast) (2025.4 - 2026.3)		Change	
		% of total		% of total	Amount	%		% of total	Amount	%
Net sales	329,478		349,312		(19,834)	(5.7%)	650,000		(57,104)	(8.1%)
[Incl.DS]										
[Excl.DS]	218,926	100.0%	216,214	100.0%	2,712	1.3%	430,000	100.0%	(12,267)	(2.8%)
Operating profit	8,607	3.9%	5,446	2.5%	3,161	58.1%	16,000	3.7%	821	5.4%
Ordinary profit	8,786	4.0%	3,565	1.6%	5,220	146.4%	16,000	3.7%	2,718	20.5%
Profit attributable to owners of parent	6,390	2.9%	1,588	0.7%	4,802	302.4%	12,000	2.8%	5,791	93.3%
Earnings per share	71.40		17.75				134.10			
Capital expenditures	12,797		10,897		1,900	17.4%	32,000		5,262	19.7%
Depreciation	10,767		13,822		(3,055)	(22.1%)	23,000		(3,280)	(12.5%)
Foreign exchange rate (USD/Yen)	146.0yen		152.6yen				145yen			
Number of consolidated companies	18		20				18			

* Supplementary explanations regarding year-on-year change in net sales

■ Sales(Excl. DS) // DS Amount Unit:100 million yen



- Sales including DS parts : -198
- Sales excluding DS parts : +27
- Sales excluding external factor(Material & Exchange Rate) : +148 (<+6.8%)

External factors	-121
Materials	-72
Exchange rate	-49

-Meaning of the term "DS Parts"
 Direct Supply Parts.
 It is the parts supplied by customers.
 The selling price including DS parts includes values of parts supplied by customers. **No Profit Impact**

-Meaning of the term "Material Impact"
 Due to changes in market, Unit purchase prices of materials and material cost in sales prices fluctuate by the same amount. **No Profit Impact**

2. Factors for increase/decrease in operating profit (year-on-year comparison)

(100 Million yen)

Factors for profit increase	Amount	Factors for profit decrease	Amount
Price pass-through	58	Increase in material costs, labor costs, and expenses	-57
Decrease in depreciation	30	Decrease in profit outside Parts Business	-26
Increase in profit due to higher sales in Parts Business	25	Sales price revision	-11
Kaizen	13		
Total	126	Total	-94
Net Balance	Increase in operating profit		31

3. Financial results by segment

(Million yen)

	FY2025 (2025.4 - 2025.9)		FY2024 (2024.4 - 2024.9)		Change		FY2025 (Forecast) (2025.4 - 2026.3)		Change	
		Profit margin		Profit margin	Amount	%		Profit margin	Amount	%
Japan	Net sales	102,895		103,847	(952)	(0.9%)	210,000		(6,734)	(3.1%)
	[Excl.DS]									
	Operating profit	3,188	3.1%	2,364	824	34.8%	6,000	2.9%	93	1.6%
North America	Net sales	67,800		62,386	5,413	8.7%	128,000		3,910	3.2%
	[Excl.DS]									
	Operating profit	2,925	4.3%	911	2,014	221.0%	5,500	4.3%	2,776	101.9%
Europe	Net sales	18,716		18,623	92	0.5%	40,000		1,546	4.0%
	[Excl.DS]									
	Operating profit	648	3.5%	578	70	12.1%	1,500	3.8%	(965)	(39.2%)
China	Net sales	25,836		27,329	(1,492)	(5.5%)	46,000		(10,191)	(18.1%)
	[Excl.DS]									
	Operating profit	1,563	6.1%	792	770	97.3%	2,500	5.4%	231	10.2%
Asia	Net sales	8,666		9,480	(814)	(8.6%)	17,000		(1,498)	(8.1%)
	[Excl.DS]									
	Operating profit	302	3.5%	810	(508)	(62.7%)	500	2.9%	(1,384)	(73.5%)
Elimination	Net sales	(4,987)		(5,452)	465		(11,000)		699	
	Operating profit	(20)		(11)	(9)		0		70	
Total	Net sales	218,926		216,214	2,712	1.3%	430,000		(12,267)	(2.8%)
	[Excl.DS]									
	Operating profit	8,607	3.9%	5,446	3,161	58.1%	16,000	3.7%	821	5.4%

Supplementary data for FY2025 (2025.4 – 2025.9)

4.Sales by Customer

	[Incl.DS]				Change	
	FY2025 (2025.4 - 2025.9)		FY2024 (2024.4 - 2024.9)		Amount	%
Toyota Group	2,707	82.2%	2,882	82.5%	(175)	(6.1%)
Suzuki	269	8.2%	280	8.0%	(11)	(4.1%)
Mitsubishi Motors	91	2.8%	89	2.6%	2	2.7%
Nissan Group	48	1.5%	42	1.2%	5	13.5%
Honda Motor	39	1.2%	41	1.2%	(2)	(5.8%)
Other	139	4.2%	156	4.5%	(17)	(11.1%)
Total	3,294	100.0%	3,493	100.0%	(198)	(5.7%)

	[Excl.DS]				Change	
	FY2025 (2025.4 - 2025.9)		FY2024 (2024.4 - 2024.9)		Amount	%
	1,881	86.0%	1,834	84.8%	47	2.6%
	102	4.7%	110	5.1%	(8)	(8.0%)
	51	2.4%	52	2.4%	(0)	(1.0%)
	35	1.6%	31	1.5%	3	12.6%
	30	1.4%	32	1.5%	(1)	(5.3%)
	87	4.0%	100	4.6%	(13)	(13.2%)
Total	2,189	100.0%	2,162	100.0%	27	1.3%

5.Sales Composition Ratio by Product Category

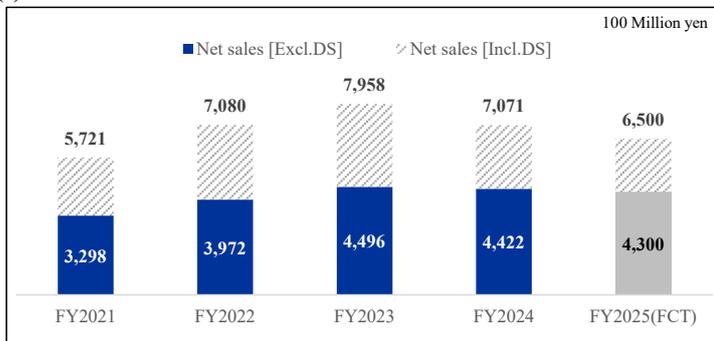
	Net sales [Incl.DS]	Net sales [Excl.DS]	Comparison
Exhaust and fuel system parts	46.2%	29.2%	(17.0pt)
Body and interior parts	43.5%	56.7%	13.2pt
Suspension parts	6.1%	8.1%	2.0pt
Other	4.2%	6.1%	1.9pt
Total	100.0%	100.0%	0.0pt

Comparison of the sales composition ratios by
Net sales [Incl. DS] and Net sales [Excl. DS]

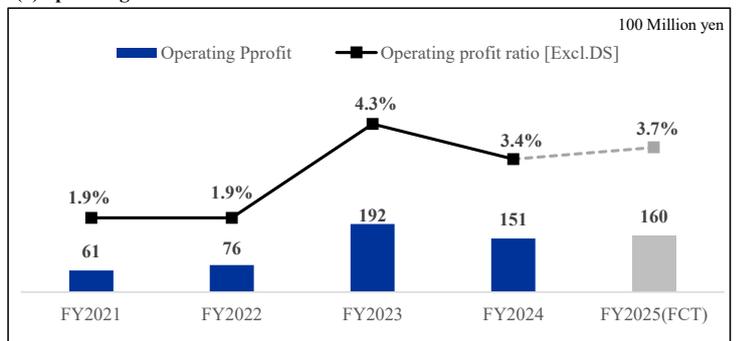
Exhaust and fuel system parts 46.2% → 29.2% (- 17.0pt)
Body and interior parts 43.5% → 56.7% (+13.2pt)

6.Trends in Financial Results

(1)Sales

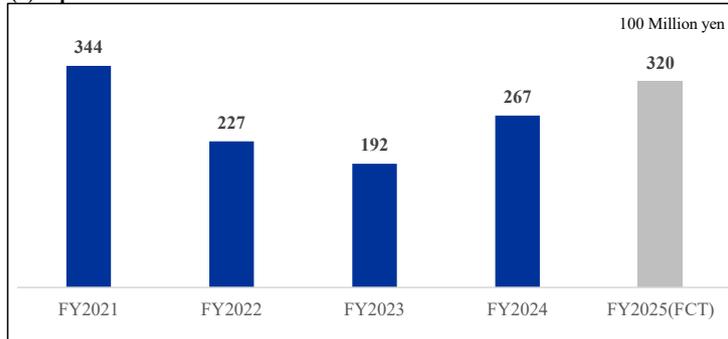


(2)Operating Profit

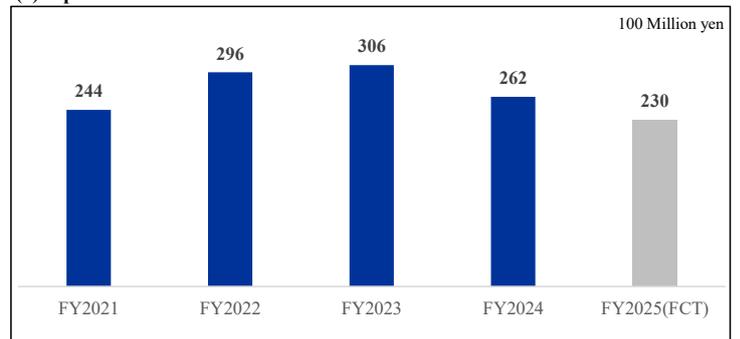


7.Trends in Financial Indicators

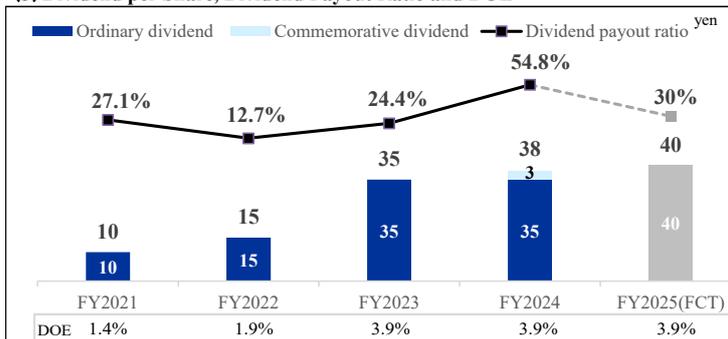
(1)Capital Investment



(2)Depreciation



(3)Dividend per Share, Dividend Payout Ratio and DOE



(4)Profit attributable to owners of parent and ROE

