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April 27, 2026

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



Company name: Futaba Industrial Co., Ltd.
 Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
 Securities code: 7241
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 Scheduled date of annual general meeting of shareholders: June 19, 2026
 Scheduled date to commence dividend payments: June 3, 2026
 Scheduled date to file annual securities report: June 17, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(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	677,919	(4.1)	18,715	23.3	20,840	56.9	16,026	158.1
March 31, 2025	707,104	(11.1)	15,178	(21.0)	13,281	(28.2)	6,208	(51.6)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 26,252 million [-%]
 For the fiscal year ended March 31, 2025: ¥ (4,093) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2026	179.33	-	12.5	6.4	2.8
March 31, 2025	69.38	-	5.1	4.1	2.1

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

For the fiscal year ended March 31, 2026: ¥ 122 million
 For the fiscal year ended March 31, 2025: ¥ 179 million

(2) 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	334,332	145,851	41.5	1,555.21
March 31, 2025	313,913	123,165	37.5	1,314.35

Reference: Equity

As of March 31, 2026: ¥ 138,885 million
 As of March 31, 2025: ¥ 117,620 million

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	38,644	(26,532)	(6,353)	20,226
March 31, 2025	24,785	(23,190)	(10,360)	13,281

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	-	17.00	-	21.00	38.00	3,400	54.8	2.8
Fiscal year ended March 31, 2026	-	20.00	-	23.00	43.00	3,844	24.0	3.0
Fiscal year ending March 31, 2027 (Forecast)	-	22.00	-	23.00	45.00		-	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

Commemorative dividend	18.00 yen
Special dividend	3.00 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
Full year	669,000	(1.3)	19,000	1.5	19,000	(8.8)	14,000	(12.6)	156.65

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
- | | | | | |
|-----------------|---|------------|--|---|
| Newly included: | - | companies(| |) |
| Excluded: | 3 | companies(| Futaba Sumi Corporation, Changsha Futaba Auto Parts Co., Ltd.
Tianjin Shuang Shye Mechanical Industrial Co., Ltd. |) |

- (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	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 March 31, 2026	277,783 shares
As of March 31, 2025	91,055 shares

- (iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	89,370,160 shares
Fiscal Year ended March 31, 2025	89,482,817 shares

[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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	319,861	(2.5)	4,816	43.6	15,094	21.2	11,011	(14.9)
March 31, 2025	328,198	(10.1)	3,354	(47.2)	12,456	(2.1)	12,933	1.2

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Fiscal year ended				
March 31, 2026	123.21	-	-	-
March 31, 2025	144.54	-	-	-

(2) Non-consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio		Net assets per share	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	%	Yen	Yen	
As of								
March 31, 2026	218,282	99,096	99,096	45.4	45.4	1,109.67	1,109.67	
March 31, 2025	206,324	89,628	89,628	43.4	43.4	1,001.55	1,001.55	

Reference: Equity

As of March 31, 2026: ¥ 99,096 million

As of March 31, 2025: ¥ 89,628 million

* 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

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1. Results of Operations

(1) Overview on consolidated business performance for the current fiscal year

During the current consolidated fiscal year, the global economy continued to face uncertainty due to factors such as the situation in the Middle East, fluctuations in financial and capital markets, and the impact of U.S. policy developments. While some regions showed signs of weakness, a moderate recovery continued overall. In Japan, the economy recovered gradually, supported by improvements in the employment and income environment and solid corporate earnings. In the automobile industry, global new vehicle sales have continued a recovery trend.

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 fiscal year, net sales decreased 4.1% year on year, to ¥677.9 billion due to a 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, resulting in an operating profit increase of 23.3% year on year, to ¥18.7 billion. Ordinary profit increased by 56.9% to ¥20.8 billion year on year. Profit attributable to owners of parent increased 158.1% year on year, to ¥16.0 billion.

Geographic segment performance was as follows.

1) Japan

Net sales decreased 2.7% year on year to ¥320.1 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 41.2% to ¥8.3 billion.

2) North America

Net sales decreased 13.8% year on year to ¥177.8 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 38.6% to ¥3.7 billion.

3) Europe

Net sales increased 10.5% year on year to ¥68.0 billion. Segment profit was down 11.6% to ¥2.1 billion.

4) China

Net sales decreased 11.2% year on year to ¥62.6 billion. Segment profit was up 33.5% to ¥3.0 billion.

5) Asia

Net sales increased 18.9% year on year to ¥60.9 billion. Segment profit was down 32.7% to ¥1.2 billion.

(2) Analysis of financial condition

Total assets at the end of the fiscal year under review were ¥334.3 billion, an increase of ¥20.4 billion compared to the end of the previous fiscal year, mainly due to increases in cash and deposits and property, plant and equipment. Total liabilities amounted to ¥188.4 billion, down ¥2.2 billion from the end of the previous fiscal year, chiefly attributable to a decrease in Accounts Payable. Net assets came to ¥145.8 billion, up ¥22.6 billion from the end of the previous fiscal year, chiefly attributable to an increase in retained earnings.

(3) Cash flows

Cash and cash equivalents of the Futaba Group increased 6.9 billion yen from the end of the previous fiscal year to 20.2 billion yen. The major components of cash flows were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities increased 13.8 billion yen (55.9%) to 38.6 billion yen compared to the previous fiscal year. The result was mainly due to an increase in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities increased 3.3 billion yen (14.4%) to 26.5 billion yen compared to the previous fiscal year. This was mainly due to an increase in expenditure for the acquisition of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities decreased 4.0 billion yen (38.7%) to 6.3 billion yen compared to the previous fiscal year. This was mainly due to an increase in cash inflows from long-term borrowings.

(4) Outlook

Looking at the outlook for the fiscal year ending March 2026, the environment surrounding the Futaba Group is still uncertain but, by focusing on initiatives such as a review of the production system, improvement of production efficiency, promotion of cost improvement, a review of the supply chain, and reduction of logistics expenses, the Company forecasts net sales of 669.0 billion yen (a decrease of 1.3% year on year), operating profit of 19.0 billion yen (an increase of 1.5% year on year), ordinary profit of 19.0 billion yen (a decrease of 8.8% year on year), and profit attributable to owners of parent of 14.0 billion yen (a decrease of 12.6% year on year).

2. Basic Position concerning Selection of Accounting Standards

Company manuals, guidelines and other materials are being revised to prepare for transition to IFRS. The timing of adoption of the IFRS standard is currently under consideration.

3.Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	13,719	21,384
Electronically recorded monetary claims - operating	3,032	4,290
Accounts receivable - trade	87,220	83,996
Finished goods	5,596	5,480
Work in process	17,263	15,556
Raw materials and supplies	7,354	8,001
Other	12,251	14,586
Total current assets	146,439	153,297
Non-current assets		
Property, plant and equipment		
Buildings and structures	93,730	98,743
Accumulated depreciation	(59,565)	(63,318)
Buildings and structures, net	34,165	35,424
Machinery, equipment and vehicles	261,882	276,441
Accumulated depreciation	(214,167)	(222,721)
Machinery, equipment and vehicles, net	47,715	53,719
Tools, furniture and fixtures	111,918	124,296
Accumulated depreciation	(103,484)	(110,325)
Tools, furniture and fixtures, net	8,434	13,971
Land	14,951	15,119
Leased assets	19,353	19,246
Accumulated depreciation	(16,122)	(16,052)
Leased assets, net	3,230	3,194
Construction in progress	22,956	17,618
Total property, plant and equipment	131,454	139,048
Intangible assets		
Software	1,852	1,870
Other	77	76
Total intangible assets	1,929	1,947
Investments and other assets		
Investment securities	20,399	24,195
Long-term loans receivable	32	33
Retirement benefit asset	11,980	14,370
Deferred tax assets	1,316	1,107
Other	599	337
Allowance for doubtful accounts	(239)	(5)
Total investments and other assets	34,089	40,039
Total non-current assets	167,473	181,034
Total assets	313,913	334,332

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	2,827	2,056
Accounts payable - trade	84,743	79,552
Short-term borrowings	6,891	9,603
Current portion of long-term borrowings	13,514	12,096
Income taxes payable	3,638	2,482
Accrued consumption taxes	1,490	1,737
Provision for bonuses for directors (and other officers)	30	56
Accrued expenses	15,582	15,942
Other	9,352	14,723
Total current liabilities	138,070	138,249
Non-current liabilities		
Bonds payable	6,000	6,000
Long-term borrowings	27,500	25,952
Deferred tax liabilities	7,941	9,910
Provision for product warranties	318	284
Provision for environmental measures	148	153
Provision for decommissioning and removal	933	503
Retirement benefit liability	6,762	4,576
Other	3,073	2,850
Total non-current liabilities	52,677	50,231
Total liabilities	190,747	188,481
Net assets		
Shareholders' equity		
Share capital	16,820	16,820
Capital surplus	9,197	9,219
Retained earnings	61,790	74,241
Treasury shares	(37)	(251)
Total shareholders' equity	87,771	100,030
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,053	12,362
Foreign currency translation adjustment	14,665	18,825
Remeasurements of defined benefit plans	5,130	7,666
Total accumulated other comprehensive income	29,849	38,854
Non-controlling interests	5,545	6,966
Total net assets	123,165	145,851
Total liabilities and net assets	313,913	334,332

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	707,104	677,919
Cost of sales	661,315	628,635
Gross profit	45,789	49,284
Selling, general and administrative expenses	30,611	30,569
Operating profit	15,178	18,715
Non-operating income		
Interest income	530	448
Dividend income	555	570
Gain on sale of scraps	289	299
Share of profit of entities accounted for using equity method	179	122
Foreign exchange gains	-	1,868
Gain on valuation of derivatives	719	-
Miscellaneous income	470	1,032
Total non-operating income	2,744	4,341
Non-operating expenses		
Interest expenses	803	926
Loss on abandonment of non-current assets	487	404
Foreign exchange losses	1,848	-
Loss on valuation of derivatives	-	153
Business structure improvement expenses	710	494
Miscellaneous losses	792	237
Total non-operating expenses	4,641	2,216
Ordinary profit	13,281	20,840
Extraordinary income		
Gain on liquidation of subsidiaries and associates	9	550
Gain on sale of investment securities	1,581	-
Gain on extinguishment of tie-in shares	-	22
Reversal of impairment losses	413	-
Total extraordinary income	2,004	572
Extraordinary losses		
Impairment losses	2,585	44
Loss on business restructuring	2,619	68
Total extraordinary losses	5,205	113
Profit before income taxes	10,079	21,299
Income taxes - current	3,739	3,726
Income taxes - deferred	568	366
Total income taxes	4,308	4,092
Profit	5,771	17,207
Profit (loss) attributable to non-controlling interests	(436)	1,180
Profit attributable to owners of parent	6,208	16,026

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	5,771	17,207
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,658)	2,317
Foreign currency translation adjustment	(1,728)	3,802
Remeasurements of defined benefit plans, net of tax	(3,588)	2,536
Share of other comprehensive income of entities accounted for using equity method	110	389
Total other comprehensive income	(9,864)	9,045
Comprehensive income	(4,093)	26,252
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,467)	25,031
Comprehensive income attributable to non-controlling interests	(625)	1,220

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,820	9,186	58,893	(46)	84,853
Changes during period					
Dividends of surplus			(3,310)		(3,310)
Profit attributable to owners of parent			6,208		6,208
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		11		10	21
Net changes in items other than shareholders' equity					
Total changes during period	-	11	2,897	9	2,917
Balance at end of period	16,820	9,197	61,790	(37)	87,771

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	14,712	16,094	8,718	39,525	6,523	130,901
Changes during period						
Dividends of surplus						(3,310)
Profit attributable to owners of parent						6,208
Purchase of treasury shares						(1)
Disposal of treasury shares						21
Net changes in items other than shareholders' equity	(4,658)	(1,428)	(3,588)	(9,675)	(978)	(10,654)
Total changes during period	(4,658)	(1,428)	(3,588)	(9,675)	(978)	(7,736)
Balance at end of period	10,053	14,665	5,130	29,849	5,545	123,165

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,820	9,197	61,790	(37)	87,771
Changes during period					
Dividends of surplus			(3,669)		(3,669)
Profit attributable to owners of parent			16,026		16,026
Purchase of treasury shares				(418)	(418)
Disposal of treasury shares		22		205	227
Change in scope of consolidation			93		93
Net changes in items other than shareholders' equity					
Total changes during period	-	22	12,450	(213)	12,259
Balance at end of period	16,820	9,219	74,241	(251)	100,030

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	10,053	14,665	5,130	29,849	5,545	123,165
Changes during period						
Dividends of surplus						(3,669)
Profit attributable to owners of parent						16,026
Purchase of treasury shares						(418)
Disposal of treasury shares						227
Change in scope of consolidation						93
Net changes in items other than shareholders' equity	2,309	4,159	2,536	9,005	1,421	10,426
Total changes during period	2,309	4,159	2,536	9,005	1,421	22,685
Balance at end of period	12,362	18,825	7,666	38,854	6,966	145,851

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	10,079	21,299
Depreciation	26,280	23,656
Impairment losses	2,585	44
Reversal of Impairment losses	(413)	-
Increase (decrease) in allowance for doubtful accounts	234	(235)
Increase (decrease) in provision for bonuses for directors (and other officers)	(2)	25
Increase (decrease) in provision for product warranties	190	(34)
Increase (decrease) in provision for environmental measures	148	5
Increase (decrease) in reserve for demolition and removal	-	(429)
Interest and dividend income	(1,085)	(1,019)
Interest expenses	803	926
Loss on abandonment of property, plant and equipment	478	392
Share of loss (profit) of entities accounted for using equity method	(179)	(122)
Loss (gain) on valuation of derivatives	(719)	153
Loss (gain) on sale of investment securities	(1,581)	-
Loss (gain) on liquidation of subsidiaries and associates	-	(550)
Business restructuring expenses	710	494
Loss on business restructuring	2,619	68
Decrease (increase) in trade receivables	(1,942)	5,351
Decrease (increase) in inventories	(1,492)	2,471
Increase (decrease) in trade payables	(1,655)	(8,453)
Increase (decrease) in accrued consumption taxes	(1,214)	448
Increase (decrease) in other current liabilities	(3,924)	4,544
Other, net	(509)	(4,445)
Subtotal	29,411	44,592
Interest and dividends received	1,211	1,120
Interest paid	(809)	(945)
Income taxes refund (paid)	(2,234)	(5,617)
Business structure improvement expenses paid	(710)	(325)
Payments for loss on business restructuring	(2,084)	(180)
Net cash provided by (used in) operating activities	24,785	38,644
Cash flows from investing activities		
Payments into time deposits	(450)	(1,165)
Proceeds from withdrawal of time deposits	743	428
Purchase of property, plant and equipment	(24,733)	(27,183)
Proceeds from sale of property, plant and equipment	90	2,275
Purchase of intangible assets	(699)	(717)
Proceeds from sale and redemption of investment securities	1,861	-
Increase(decrease) in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(168)
Other, net	(2)	(2)
Net cash provided by (used in) investing activities	(23,190)	(26,532)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,832	2,260
Proceeds from long-term borrowings	-	10,000
Repayments of long-term borrowings	(11,812)	(13,611)
Repayments of lease liabilities	(660)	(626)
Dividends paid	(3,309)	(3,665)
Dividends paid to non-controlling interests	(407)	(290)
Other, net	(3)	(418)
Net cash provided by (used in) financing activities	(10,360)	(6,353)
Effect of exchange rate change on cash and cash equivalents	(2,230)	1,186
Net increase (decrease) in cash and cash equivalents	(10,995)	6,944
Cash and cash equivalents at beginning of period	24,277	13,281
Cash and cash equivalents at end of period	13,281	20,226

(5) Notes to consolidated financial statements

(Notes to going concern assumptions)

None

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

(Changes in the consolidation scope)

During the current consolidated fiscal year, Futaba Sumi Corporation, which had been a consolidated subsidiary of the Company, was dissolved as a result of an absorption-type merger in which the Company was the surviving entity, and therefore has been excluded from the scope of consolidation.

During the current consolidated fiscal year, the liquidation procedures for Changsha Futaba Auto Parts Co., Ltd., which had been a consolidated subsidiary of the Company, were completed, and therefore it has been excluded from the scope of consolidation.

During the current consolidated fiscal year, Tianjin Shuang Shye Mechanical Industrial Co., Ltd., which had been a consolidated subsidiary of the Company, was excluded from the scope of consolidation because its liquidation procedures were entrusted and transferred to Souzousha Company Limited.

(Additional information)

(Regarding the capital reduction of a consolidated subsidiary)

At the Board of Directors meeting held on February 2, 2026, the Company resolved to reduce the capital of the consolidated subsidiary, Dongguan Futaba Metal Products Co., Ltd. As the subsidiary has surplus funds and no significant investments are expected in the future, the decision was made to improve capital efficiency within the Group.

For further details, please refer to the “Notice Concerning Capital Reduction of Consolidated Subsidiary” announced on February 2, 2026.

(Segment information)

(Segment information)

1. Overview of reportable segment information

The reportable segments are the constituent units of Futaba for which separate financial information can be obtained and for which the Board of Directors performs periodic examinations to determine the allocation of resources and to assess results of operations.

Futaba is engaged primarily in the manufacture and sale of parts for automobiles and other motor vehicles. Futaba and subsidiaries perform operations in Japan and subsidiaries in North America, Europe, China and Asia perform operations outside Japan. Each overseas subsidiary is managed separately and conducts operations for products based on a comprehensive strategy for its respective region.

Consequently, Futaba consists of geographic segments that include manufacturing and sales operations. There are five reportable segments: Japan, North America, Europe, China and Asia. Each reportable segment is engaged in the manufacture and sale of parts for automobiles and other motor vehicles.

2. Method for determining sales, profit or loss, assets, liabilities and other items for reportable segments

The accounting method for reportable segments is generally the same as the accounting policies adopted for preparation of the consolidated financial statements. Intersegment revenue and transfers are based on prevailing market prices.

3. Reportable segment sales, profit or loss, assets, liabilities and other information

Previous fiscal year (Apr. 1, 2024– Mar. 31, 2025)

(Millions of yen)

	Reportable segments						Adjustments (Note)	Total
	Japan	North America	Europe	China	Asia	Total		
Net sales								
Of which to outside customers	317,381	206,293	61,606	70,530	51,293	707,104	—	707,104
Of which inter-segment and transfers	11,619	56	1	18	3	11,699	(11,699)	—
Total	329,001	206,349	61,607	70,548	51,296	718,804	(11,699)	707,104
Segment profit	5,906	2,723	2,465	2,268	1,884	15,248	(70)	15,178
Segment assets	194,629	78,779	26,304	27,725	20,029	347,468	(33,555)	313,913
Others								
Depreciation	14,940	5,873	1,627	3,228	774	26,444	(164)	26,280
Impairment losses	—	—	—	2,585	—	2,585	—	2,585

Notes

1. Adjustments are as follows.

(1) The segment profit adjustment of negative ¥70 million is for the elimination of intersegment transactions.

(2) The segment assets adjustment of negative ¥33,555 million includes a ¥15,975 million addition for corporate assets and a negative ¥49,530 million is for netting out amounts receivable and payable. Corporate assets are primarily funds (cash, deposits and investment securities) at the parent company.

2. Segment profit is adjusted to match the operating profit in the consolidated statements of income.

Current fiscal year (Apr. 1, 2025 – Mar. 31, 2026)

(Millions of yen)

	Reportable segments						Adjustments (Note)	Total
	Japan	North America	Europe	China	Asia	Total		
Net sales								
Of which to outside customers	308,505	177,761	68,058	62,630	60,963	677,919	—	677,919
Of which inter-segment and transfers	11,625	41	2	6	6	11,682	(11,682)	—
Total	320,131	177,802	68,061	62,636	60,969	689,601	(11,682)	677,919
Segment profit	8,338	3,775	2,180	3,027	1,267	18,590	124	18,715
Segment assets	204,575	76,683	30,175	31,244	22,430	365,109	(30,777)	334,332
Others								
Depreciation	13,659	5,469	1,713	2,203	770	23,816	(159)	23,656
Impairment losses	—	—	—	44	—	44	—	44

Notes

1. Adjustments are as follows.

(1) The segment profit adjustment of ¥124 million is for the elimination of intersegment transactions.

(2) The segment assets adjustment of negative ¥30,777 million includes a ¥20,017 million addition for corporate assets and a negative ¥50,794 million is for netting out amounts receivable and payable. Corporate assets are primarily funds (cash, deposits and investment securities) at the parent company.

2. Segment profit is adjusted to match the operating profit in the consolidated statements of income.

(Per-share information)

(Yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,314.35	1,555.21
Earnings per share	69.38	179.33

Notes: 1. Diluted earnings per share is not shown because there were no common share equivalents.

2. The basis for computing the earnings per share is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	6,208	16,026
Profit not attributable to common shareholders (million yen)	–	–
Profit attributable to owners of parent available to common shares (million yen)	6,208	16,026
Average number of shares outstanding during the year (1,000 shares)	89,482	89,370

3. The basis for calculating net assets per share is as follows.

	As of March 31, 2025	As of March 31, 2026
Net assets (million yen)	123,165	145,851
Deduction from net assets (million yen)	5,545	6,966
Of which amount for non-controlling interests (million yen)	(5,545)	(6,966)
Net assets for common shares at end of period (million yen)	117,620	138,885
Common shares at end of period for calculating net assets per share (1,000 shares)	89,489	89,303

Supplementary data for FY2025 (2025.4 – 2026.3)

1. Consolidated financial results

(Million yen)

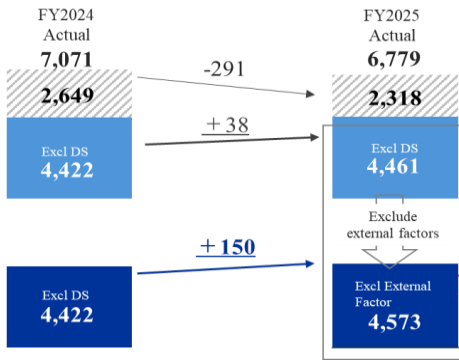
	FY2025 (2025.4 - 2026.3)		FY2024 (2024.4 - 2025.3)		Change	
		% of total		% of total	Amount	%
Net sales	677,919		707,104		(29,185)	(4.1%)
[Incl.DS]						
[Excl.DS]	446,157	100.0%	442,267	100.0%	3,890	0.9%
Operating profit	18,715	4.2%	15,178	3.4%	3,537	23.3%
Ordinary profit	* 20,840	4.7%	13,281	3.0%	7,559	56.9%
Profit attributable to owners of parent	* 16,026	3.6%	6,208	1.4%	9,818	158.1%
Earnings per share	179.33		69.38			
Capital expenditures	28,114		27,057		1,057	3.9%
Depreciation	23,656		26,280		(2,624)	(10.0%)
Foreign exchange rate (USD/Yen)	150.8yen		152.6yen			

* indicates the highest level on record.

	FY2026 (Forecast) (2026.4 - 2027.3)		Change	
		% of total	Amount	%
	669,000		(8,919)	(1.3%)
	444,000	100.0%	(2,157)	(0.5%)
	19,000	4.3%	284	1.5%
	19,000	4.3%	(1,840)	(8.8%)
	14,000	3.2%	(2,026)	(12.6%)
	156.65			
	37,000		8,886	31.6%
	27,000		3,343	14.1%
	155yen			

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

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



- Sales including DS parts : -291
- Sales excluding DS parts : +38
- Sales excluding external factor(Material & Exchange Rate) : +150 (+3.4%)

External factors -112
Materials -117
Exchange rate +5

Supplementary: Next FY Forecast – Profit Attributable to Owners

FY2025 16 billion yen	FY2026 14 billion yen
Affiliate liquidation gain 0.5 billion yen	
FX gain on FC loans and other 1.9 billion yen	
(excl. the above factors) 13.6 billion yen	14 billion yen

Profit increase excluding liquidation and FX gains

-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		122	Increase in material costs, labor costs, and expenses		-93
Kaizen		32	Decrease in profit outside Parts Business		-34
Decrease in depreciation		26	Sales price revision		-28
Increase in profit due to higher sales in Parts Business		10			
Total		190	Total		-155
Net Balance		Increase in operating profit		35	

3. Financial results by segment

(Million yen)

		FY2025 (2025.4 - 2026.3)		FY2024 (2024.4 - 2025.3)		Change	
			Profit margin		Profit margin	Amount	%
Japan	Net sales	211,930		216,734		(4,804)	(2.2%)
	[Excl.DS]						
	Operating profit	8,338	3.9%	5,906	2.7%	2,432	41.2%
North America	Net sales	135,825		124,089		11,735	9.5%
	[Excl.DS]						
	Operating profit	3,775	2.8%	2,723	2.2%	1,051	38.6%
Europe	Net sales	42,686		38,453		4,233	11.0%
	[Excl.DS]						
	Operating profit	2,180	5.1%	2,465	6.4%	(284)	(11.6%)
China	Net sales	49,565		56,191		(6,625)	(11.8%)
	[Excl.DS]						
	Operating profit	3,027	6.1%	2,268	4.0%	759	33.5%
Asia	Net sales	17,832		18,498		(666)	(3.6%)
	[Excl.DS]						
	Operating profit	1,267	7.1%	1,884	10.2%	(616)	(32.7%)
Elimination	Net sales	(11,682)		(11,699)		16	
	Operating profit	124		(70)		194	
Total	Net sales	446,157		442,267		3,890	0.9%
	[Excl.DS]						
	Operating profit	18,715	4.2%	15,178	3.4%	3,537	23.3%

		FY2026 (Forecast) (2026.4 - 2027.3)		Change	
			Profit margin	Amount	%
	Net sales	220,000		8,069	3.8%
	[Excl.DS]				
	Operating profit	8,500	3.9%	161	1.9%
	Net sales	141,000		5,174	3.8%
	[Excl.DS]				
	Operating profit	5,700	4.0%	1,924	51.0%
	Net sales	39,000		(3,686)	(8.6%)
	[Excl.DS]				
	Operating profit	1,400	3.6%	(780)	(35.8%)
	Net sales	40,000		(9,565)	(19.3%)
	[Excl.DS]				
	Operating profit	2,400	6.0%	(627)	(20.7%)
	Net sales	20,000		2,167	12.2%
	[Excl.DS]				
	Operating profit	1,000	5.0%	(267)	(21.1%)
	Net sales	(16,000)		(4,317)	
	Operating profit	0		(124)	
	Net sales	444,000		(2,157)	(0.5%)
	[Excl.DS]				
	Operating profit	19,000	4.3%	284	1.5%

Supplementary data for FY2025 (2025.4 – 2026.3)

4.Sales by Customer

[Incl.DS]

	FY2025 (2025.4 - 2026.3)		FY2024 (2024.4 - 2025.3)		Change	
	Amount	%	Amount	%	Amount	%
Toyota Group	5,426	80.0%	5,820	82.3%	(394)	(6.8%)
Suzuki	630	9.3%	556	7.9%	73	13.3%
Mitsubishi Motors	210	3.1%	195	2.8%	14	7.6%
Nissan Group	105	1.6%	97	1.4%	7	7.9%
Honda Motor	80	1.2%	90	1.3%	(10)	(11.6%)
Other	326	4.8%	310	4.3%	16	5.2%
Total	6,779	100.0%	7,071	100.0%	(291)	(4.1%)

[Excl.DS]

(100 Million yen)

	FY2025 (2025.4 - 2026.3)		FY2024 (2024.4 - 2025.3)		Change	
	Amount	%	Amount	%	Amount	%
Toyota Group	3,785	84.8%	3,756	84.9%	28	0.8%
Suzuki	215	4.8%	214	4.9%	1	0.5%
Mitsubishi Motors	114	2.6%	112	2.5%	2	2.2%
Nissan Group	79	1.8%	72	1.6%	7	9.9%
Honda Motor	62	1.4%	69	1.6%	(6)	(10.1%)
Other	204	4.6%	197	4.5%	6	3.5%
Total	4,461	100.0%	4,422	100.0%	38	0.9%

5.Sales Composition Ratio by Product Category

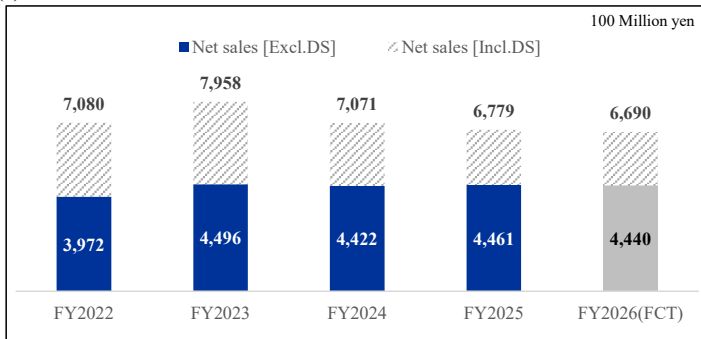
	Net sales [Incl.DS]	Net sales [Excl.DS]	Comparison
Exhaust and fuel system parts	46.9%	28.9%	(18.0pt)
Body and interior parts	42.5%	56.1%	13.6pt
Suspension parts	5.8%	7.7%	1.9pt
Other	4.9%	7.4%	2.5pt
Total	100.0%	100.0%	0.0pt

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

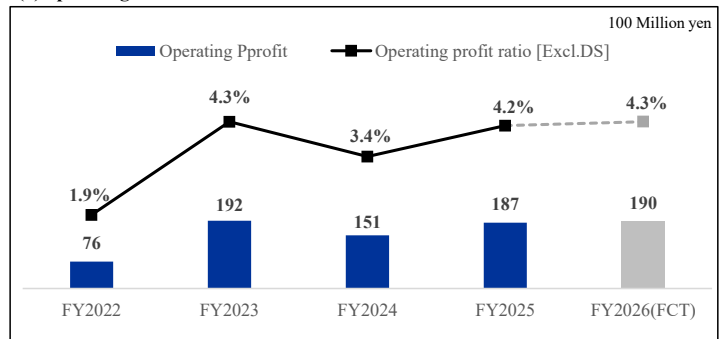
Exhaust and fuel system parts 46.9% → 28.9% (- 18.0pt)
Body and interior parts 42.5% → 56.1% (+13.6pt)

6.Trends in Financial Results

(1)Sales

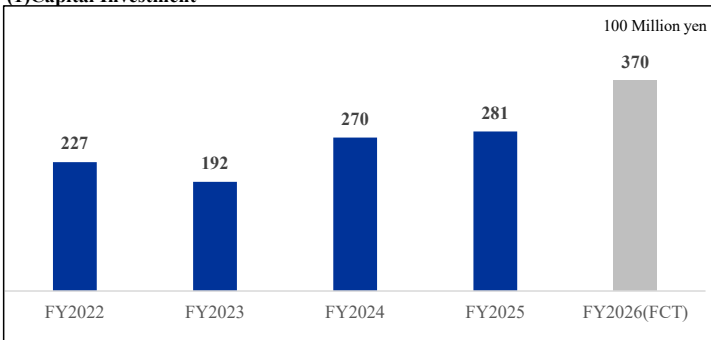


(2)Operating Profit

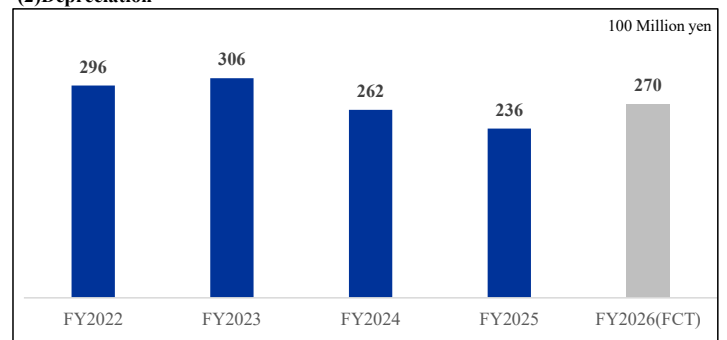


7.Trends in Financial Indicators

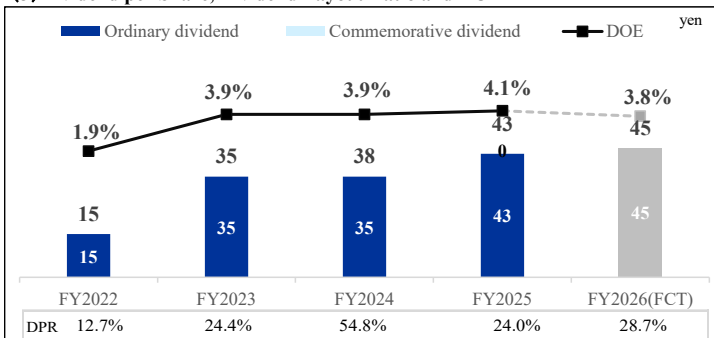
(1)Capital Investment



(2)Depreciation



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



(4)Profit attributable to owners of parent and ROE

