



Financial Results Summary for the Three-Month Period Ended June 30, 2025 [Japanese GAAP] (Consolidated)

August 6, 2025

Listed company: Fukoku Co., Ltd. Exchange listed on: Tokyo Stock Exchange
 Securities code: 5185 URL <https://www.fukoku-rubber.co.jp/>
 Representative: (Title) President & CEO (Name) Ikuo Oshiro
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 Scheduled commencement date of dividends payment: -
 Preparation of supplementary material on financial results : None
 Holding of financial results briefing : None

(Amounts rounded down to the nearest millions of yen.)

1. Consolidated Financial Results for the Three-Month Period Ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results (cumulative) (Percentages represent year-on-year changes.)

	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	22,720	2.2	1,000	2.1	917	-28.8	493	-33.2
Three months ended June 30, 2024	22,226	3.3	980	47.0	1,288	56.1	738	92.5

(Note) Comprehensive income Three months ended June 30, 2025 -1,247 million yen (-%)
 Three months ended June 30, 2024 1,797 million yen (154.5%)

	Profit per share	Profit per share – diluted
	yen	yen
Three months ended June 30, 2025	30.59	-
Three months ended June 30, 2024	45.80	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
Three months ended June 30, 2025	75,578	44,033	54.9
As of March 31, 2025	79,402	45,936	54.5

(Reference) Shareholders' equity Three months ended June 30, 2025 41,461 million yen
 As of March 31, 2025 43,274 million yen

2. Dividends

	Annual dividends				
	End of Q1	End of Q2	End of Q3	End of Q4	Total
	yen	yen	yen	yen	yen
As of March 31, 2025	-	37.50	-	37.50	75.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (forecast)		42.50	-	42.50	85.00

(Note) Revision of the dividends forecast released most recently : None

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

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	88,000	-1.8	5,000	5.9	5,000	9.4	3,500	19.4	217.13

(Note) Revision of the consolidated results forecast released most recently : None

* Notes

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

(2) Adoption of special accounting procedures used in preparation of the quarterly consolidated financial statements : Yes

(Note) For details, please see “(3) Notes to quarterly consolidated financial statements (Adoption of special accounting procedures used in preparation of the quarterly consolidated financial statements)” in “2. Quarterly Consolidated Financial Statements and Key Notes” on page 8 of the attachments.

(3) Change in accounting policies or estimates and retrospective restatements

(i) Change in accounting policies in accordance with revision of accounting standards : None

(ii) Change in accounting policies other than item i) above : None

(iii) Change in accounting estimates : None

(iv) Retrospective restatements : None

(4) Number of shares issued (common shares)

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

As of June 30, 2025	17,609,130 shares	As of March 31, 2025	17,609,130 shares
As of June 30, 2025	1,489,742 shares	As of March 31, 2025	1,489,742 shares
As of June 30, 2025	16,119,388 shares	As of June 30, 2024	16,115,638 shares

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

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

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or audit firm: Yes (mandatory)

* Explanation of appropriate use of operating results forecasts and other special notes

Any forward-looking statements, such as the financial results outlook, included in this material are based on information the Company presently has and certain assumptions the Company considers reasonable, and they do not constitute a promise that the Company will achieve them. In addition, the actual financial results may differ significantly due to various factors. For assumptions for operating results forecasts and points to consider in utilizing them, please see “(3) Explanation of future forecast information such as consolidated financial results forecasts” in “1. Overview of Operating Results, etc.” on page 3 of the attachments.

* This document is an English translation of a statement initially written in Japanese. The Original Japanese document should be considered as the primary version.

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1. Overview of Operating Results, etc.

(1) Overview of operating results for the period under review

During the three-month period under review, the Japanese economy remained on a path of moderate recovery, supported by improvements in employment and income conditions. However, the outlook continues to be uncertain due to various factors, including downside risks to the global economy stemming from developments in US trade policy and the impact of sustained price increases on consumer sentiment.

In the automotive industry, although shifts in US trade policy presented a risk factor, overall production volume remained firm. Meanwhile, despite investment in research and promotional activities for electric vehicles, the shift in demand toward electric vehicles remains weak.

For the three months ended June 30, 2025, consolidated net sales increased 2.2% year on year to 22,720 million yen, due primarily to the effects of foreign exchange translation and a change in the fiscal year-end of our consolidated subsidiary, Fukoku India Private Limited. (*For details, please refer to p. 8 of the attachment “Changes in matters related to the business year, etc. of consolidated subsidiary companies.”) Operating profit rose 2.1% year on year to 1,000 million yen due to net sales growth and success in mitigating the impact of rising raw material and labor costs through streamlining efforts and sales price adjustments. Meanwhile, ordinary profit declined 28.8% year on year to 917 million yen due to the impact of foreign exchange translation (revaluation of assets and liabilities), and net income attributable to owners of the parent company declined 33.2% to 493 million yen.

The Group’s business performance by segment is as follows.

Functional Parts Business

Net sales grew 9.1% year on year to 10,373 million yen based on steady orders, including orders for products such as thermally conductive gap fillers, for which we are striving to increase sales, and due to the impact of foreign exchange rates. Segment income was down 3.2% year on year to 1.1 billion yen due to the impact of rising raw materials and labor costs, which could not be mitigated by net sales growth, streamlining efforts, and sales price adjustments.

Anti-Vibration Parts Business

Net sales fell 2.7% year on year to 9,804 million yen due to slowing orders. Segment income rose 3.6% year on year to 695 million yen due to success in mitigating the impact of rising costs for materials for metal parts and labor costs via productivity improvement, streamlining, and sales price adjustments.

Life Science Business

Net sales grew 3.9% year on year to 261 million yen based on steady orders of bio-related products. Segment income fell 2.4% year on year to 62 million yen due to the impact of rising raw materials and labor costs, which could not be mitigated by net sales growth, streamlining efforts, and sales price adjustments.

Metal Business

Net sales declined 11.9% year on year to 1,204 million yen, as we are currently proceeding to concentrate our efforts on selected businesses to boost profitability. Segment income (which was a loss of 16 million yen for the same period last year) came to 30 million yen due to increased profitability resulting from withdrawing from unprofitable parts businesses.

Hose Business

Net sales rose 5.9% year on year to 1,283 million yen due to steady orders of products for commercial vehicles. Segment profit rose 83.9% year on year to 108 million yen due to net sales growth and success in mitigating the impact of rising raw material and labor costs through productivity improvement via automation, streamlining efforts, and sales price adjustments.

(2) Overview of financial position for the period under review

Total assets as of June 30, 2025, came to 75,578 million yen, 3,824 million yen lower than at the end of the previous fiscal year.

Current assets declined 2,876 million yen from the end of the previous fiscal year to 42,721 million yen due primarily to a decrease in cash and deposits due to capital investment and repayment of borrowings.

Non-current assets decreased 948 million yen from the end of the last fiscal year to 32,856 million yen, due primarily to a drop in machinery, equipment, and transportation equipment due to depreciation.

Liabilities totaled 31,545 million yen, 1,920 million yen lower than the end of the previous fiscal year, due primarily to reduced borrowings.

Net assets decreased 1,903 million yen from the end of the previous fiscal year to 44,033 million yen, primarily due to a decrease in retained earnings and foreign currency translation adjustments.

As a result, the shareholders' equity ratio came to 54.9%, up 0.4 percentage points from the end of the previous fiscal year.

(3) Explanation of future forecast information such as consolidated financial results forecasts

While the economy maintains a course of moderate recovery, supported by improvements in employment and income conditions, the outlook remains uncertain for various reasons, including geopolitical instability, rising costs, and the risk of fluctuations in financial and capital markets.

In the automotive industry, production volumes are expected to continue to recover at a steady pace, with regional variations, though this may be impacted by US trade policies in the future.

Under these circumstances, the Fukoku Group, in the second year of its New Medium-Term Management Plan 2026 announced in 2023, will seek to achieve its targets and maximize profitability by advancing business strategies focused on strengthening existing businesses and expanding growth and new businesses while retrenching its business foundations with an emphasis on ESG perspectives.

The consolidated financial results forecasts for the fiscal year ending March 31, 2026, announced May 15, 2025, remain unchanged.

Although it has been reported that tariff negotiations between Japan and the United States have concluded, they remain unresolved in some other countries where we operate. The impact of the tariff measures on the US economy also remains uncertain at this point. In light of these factors and due to the difficulty of assessing the potential impact of recent US tariffs on our businesses and results, we have excluded such projections from the consolidated earnings forecast for the full year. We will work to minimize the impact of the tariffs on our business performance by actively engaging in price negotiations through close communication with our customers, while promoting activities that lead to improved profitability, such as enhancing productivity and streamlining operations, and making group-wide efforts to reduce costs.

The above forecasts represent the Company's best judgment based on information currently available. Actual results may vary from the above forecasts due to various factors.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly consolidated balance sheet

(Million yen)

	Previous fiscal year As of March 31, 2025	First quarter under review As of June 30, 2025
Assets		
Current assets		
Cash and deposits	12,422	10,690
Notes and accounts receivable - trade	20,211	19,613
Merchandise and finished goods	6,596	6,032
Work in process	1,240	1,338
Raw materials and supplies	3,725	3,402
Other	1,441	1,666
Allowance for doubtful accounts	-39	-20
Total current assets	45,597	42,721
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,929	8,412
Machinery, equipment and vehicles, net	10,941	10,296
Land	6,517	6,390
Other, net	2,612	3,083
Total property, plant and equipment	29,000	28,183
Intangible assets	1,903	1,879
Investments and other assets		
Investment securities	1,259	1,225
Other	2,078	1,982
Allowance for doubtful accounts	-436	-414
Total investments and other assets	2,901	2,793
Total non-current assets	33,804	32,856
Total assets	79,402	75,578

(Million yen)

	Previous fiscal year As of March 31, 2025	First quarter under review As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,226	4,913
Electronically recorded obligations - operating	3,555	3,375
Short-term borrowings	8,839	7,831
Income taxes payable	511	605
Provision for bonuses	833	566
Other	5,273	5,550
Total current liabilities	24,239	22,842
Non-current liabilities		
Long-term borrowings	3,712	3,273
Retirement benefit liabilities	1,777	1,751
Provision for retirement benefits for directors (and other officers)	174	172
Other	3,561	3,504
Total non-current liabilities	9,226	8,702
Total liabilities	33,465	31,545
Net assets		
Shareholders' equity		
Share capital	1,395	1,395
Capital surplus	1,581	1,581
Retained earnings	35,009	34,898
Treasury shares	-1,393	-1,393
Total shareholders' equity	36,592	36,481
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	206	202
Deferred gains or losses on hedges	-164	-140
Foreign currency translation adjustment	6,640	4,918
Total accumulated other comprehensive income	6,682	4,980
Non-controlling interests	2,662	2,571
Total net assets	45,936	44,033
Total liabilities and net assets	79,402	75,578

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

Three months ended June 30, 2025

(Million yen)

	Three-month period in the previous fiscal year (From April 1, 2024 to June 30, 2024)	Three-month period under review (From April 1, 2025 to June 30, 2025)
Net sales	22,226	22,720
Cost of sales	18,147	18,254
Gross profit	4,079	4,465
Selling, general and administrative expenses	3,098	3,465
Operating profit	980	1,000
Non-operating income		
Interest income	20	27
Dividend income	4	6
Share of profit of entities accounted for using equity method	8	13
Foreign exchange gains	296	-
Gain on disposal of non-current assets	5	27
Other	41	50
Total non-operating income	377	124
Non-operating expenses		
Interest expenses	50	48
Foreign exchange losses	-	117
Other	18	40
Total non-operating expenses	69	207
Ordinary profit	1,288	917
Profit before income taxes	1,288	917
Income taxes - current	287	374
Income taxes - deferred	238	-47
Total income taxes	526	326
Profit	762	591
Profit attributable to non-controlling interests	24	98
Profit attributable to owners of parent	738	493

Quarterly consolidated statement of comprehensive income

Three months ended June 30, 2025

(Million yen)

	Three-month period in the previous fiscal year (From April 1, 2024 to June 30, 2024)	Three-month period under review (From April 1, 2025 to June 30, 2025)
Profit	762	591
Other comprehensive income		
Valuation difference on available-for-sale securities	-4	-4
Deferred gains or losses on hedges	-62	28
Foreign currency translation adjustment	1,074	-1,822
Share of other comprehensive income of entities accounted for using equity method	27	-40
Total other comprehensive income	1,035	-1,838
Comprehensive income	1,797	-1,247
Profit attributable to		
Comprehensive income attributable to owners of parent	1,703	-1,208
Comprehensive income attributable to non-controlling interests	94	-38

(3) Notes to quarterly consolidated financial statements

(Adoption of special accounting procedures used in preparation of the quarterly consolidated financial statements)

(Calculation of tax expenses)

With respect to tax expenses incurred by some consolidated subsidiaries, the Company reasonably estimated the effective tax rate after applying tax effect accounting to profit before income taxes in the fiscal year, including the first quarter under review, and calculated them by multiplying this estimated effective tax rate by profit before income taxes.

(Change in scope of consolidation or scope of application of equity method)

(Changes in matters related to the business year, etc. of consolidated subsidiary companies)

Previously, financial statements of the consolidated subsidiary Fukoku India Private Limited, whose fiscal year-end was December 31, had been used for consolidation purposes, thus necessary adjustments were made for material transactions occurring between its fiscal year-end and the consolidated fiscal year-end. However, starting with the first quarter under review, the subsidiary's fiscal year-end has been changed to March 31.

Due to this change, financial results for this subsidiary for the six-month period from January 1, 2025 to June 30, 2025, have been consolidated in the first quarter under review, and the necessary adjustments have been made via the quarterly consolidated statement of income.

The consolidated subsidiary recorded net sales from January 1, 2025, to March 31, 2025, were 833 million yen, and the impact on operating profit, ordinary profit, and profit before taxes is minor.

(Notes on segment information)

【Segment information】

I. Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

1. Information on net sales, income or loss by reporting segment

	Reporting segment					Total	Adjustments (Note) 1	(Million yen) Quarterly consolidated statement of income amounts (Note) 2
	Functional Parts	Anti- Vibration Parts	Life Science	Metal	Hose			
Net sales								
Sales to external customers	9,341	10,072	252	1,367	1,193	22,226	-	22,226
Intersegment sales or transfer	164	4	-	0	18	186	-186	-
Total	9,505	10,076	252	1,367	1,211	22,412	-186	22,226
Segment income	1,137	671	64	-16	59	1,916	-936	980

(Notes) 1. The adjustment of -936 million yen for segment income (loss) includes an inter-segment elimination of 0 million yen and corporate expenses not allocated to any reportable segments totaling -936 million yen. Corporate expenses are primarily general and administrative expenses not attributable to any reportable segments.

2. Segment income (loss) is adjusted for consistency with operating profit recorded in the quarterly consolidated statement of income.

2. Information on impairment loss on non-current assets and goodwill and other by reporting segment

Not applicable

II. Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

1. Information on net sales, income or loss by reporting segment

(Million yen)

	Reporting segment					Total	Adjustments (Note) 1	Quarterly consolidated statement of income amounts (Note) 2
	Functional Parts	Anti- Vibration Parts	Life Science	Metal	Hose			
Net sales								
Sales to external customers	10,179	9,801	261	1,204	1,273	22,720	-	22,720
Intersegment sales or transfer	193	3	-	-	9	206	-206	-
Total	10,373	9,804	261	1,204	1,283	22,926	-206	22,720
Segment income (loss)	1,100	695	62	30	108	1,998	-998	1,000

(Notes) 1. The adjustment of -998 million yen for segment income includes an inter-segment elimination of -3 million yen and corporate expenses not allocated to any reporting segments totaling -994 million yen. Corporate expenses are primarily general and administrative expenses not attributable to any reportable segments.

2. Segment income is adjusted for consistency with operating profit recorded in the quarterly consolidated statement of income.

2. Notes to Changes in Reporting Segments

(Matters related to the business year, etc. of consolidated subsidiary companies)

Previously, financial statements of the consolidated subsidiary Fukoku India Private Limited, whose fiscal year-end was December 31, had been used for consolidation purposes, thus necessary adjustments were made for material transactions occurring between its fiscal year-end and the consolidated fiscal year-end. However, starting with the first quarter under review, the subsidiary's fiscal year-end has been changed to March 31.

Due to this change, financial results for this subsidiary for the six-month period from January 1, 2025 to June 30, 2025, have been consolidated in the first quarter under review, and the necessary adjustments have been made via the quarterly consolidated statement of income.

As a result, for the period under review, net sales in the Functional Parts Business increased by 285 million yen, and net sales in the Anti-Vibration Parts Business increased by 548 million yen. The impact on segment income was minor.

3. Information on impairment loss on non-current assets and goodwill and other by reporting segment

Not applicable

(Notes when there is a significant change in the amount of shareholders' equity)

Not applicable

(Notes on going concern assumption)

Not applicable

(Notes on statement of cash flows)

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

Depreciation and amortization expense (including amortization of intangible assets excluding goodwill) for three month ended June 30 was as follows:

	Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)
Depreciation and amortization expense	1,149 million yen	1,312 million yen