



Fukoku Co., Ltd. (TSE Prime Market: 5185)

May 26, 2026

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# Financial Results Briefing

FY Ending March 31, 2026

**Yes, We Do!**

(translation)

1. Financial Results: Key Points
2. Results for FY Ended March 31, 2026
3. Forecast of Results for FY Ending March 31, 2027
4. Status per Segment/Region
5. Returns to Shareholders
6. Progress of Business Initiatives
7. Toward the Next Medium-Term Management Plan

# 1. Financial Results: Key Points

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# 1. Financial Results: Key Points

## Results for FY Ended March 31, 2026

**Sales/Increase in revenue:** The functional parts business—led by strong demand for new products and wipers in China—along with the Life sciences and Hose businesses, continues to perform steadily.

**Operating profit / Decrease:** We were unable to fully offset persistently high raw material costs and rising labor expenses through rationalization and variable-cost measures.

## Forecast for FY Ending March 31, 2027

### Sales, Operating profit and Ordinary profit / Decrease in revenue

#### Net income / Increase

Although the economic recovery continues, we assume downside risks from U.S. trade policy shifts and persistent inflation, heightened geopolitical and energy/raw-material price volatility, and have partially factored in Middle East developments. Expanding earnings and improving capital efficiency are our top priorities, and we will reinforce business operations to achieve them.

## Dividends

The year-end dividend for the fiscal year ending March 2026 : ¥42.5.

Combined with the interim dividend of ¥42.5, the total annual dividend is:¥85.

The forecasted annual dividend for the fiscal year ending March 2027 is ¥100

**(an increase of ¥15 YoY).**



## **2. Results for FY Ended March 31, 2026**

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## 2. Results for FY Ended March 31, 2026

### Summary of Results (Consolidated)

(JPY Millions)

	FY ended March	FY ended March	Change	Change rate
	31, 2025	31, 2026		
	Results	Results		
Net sales	89,657	<b>90,025</b>	368	<b>+0.4%</b>
Operating profit	4,721	<b>3,806</b>	- 915	<b>-19.3%</b>
(Operating profit to net sales)	(5.3%)	<b>(4.2%)</b> 	(-1.1pp)	
Ordinary profit	4,569	<b>3,864</b>	- 705	<b>-15.4%</b>
(Ordinary profit to net sales)	(5.1%)	<b>(4.3%)</b> 	(-0.8pp)	
Profit	2,931	<b>1,144</b>	- 1,787	<b>-60.9%</b>
(Profit to net sales)	(3.3%)	<b>(1.3%)</b>	(-2.0pp)	

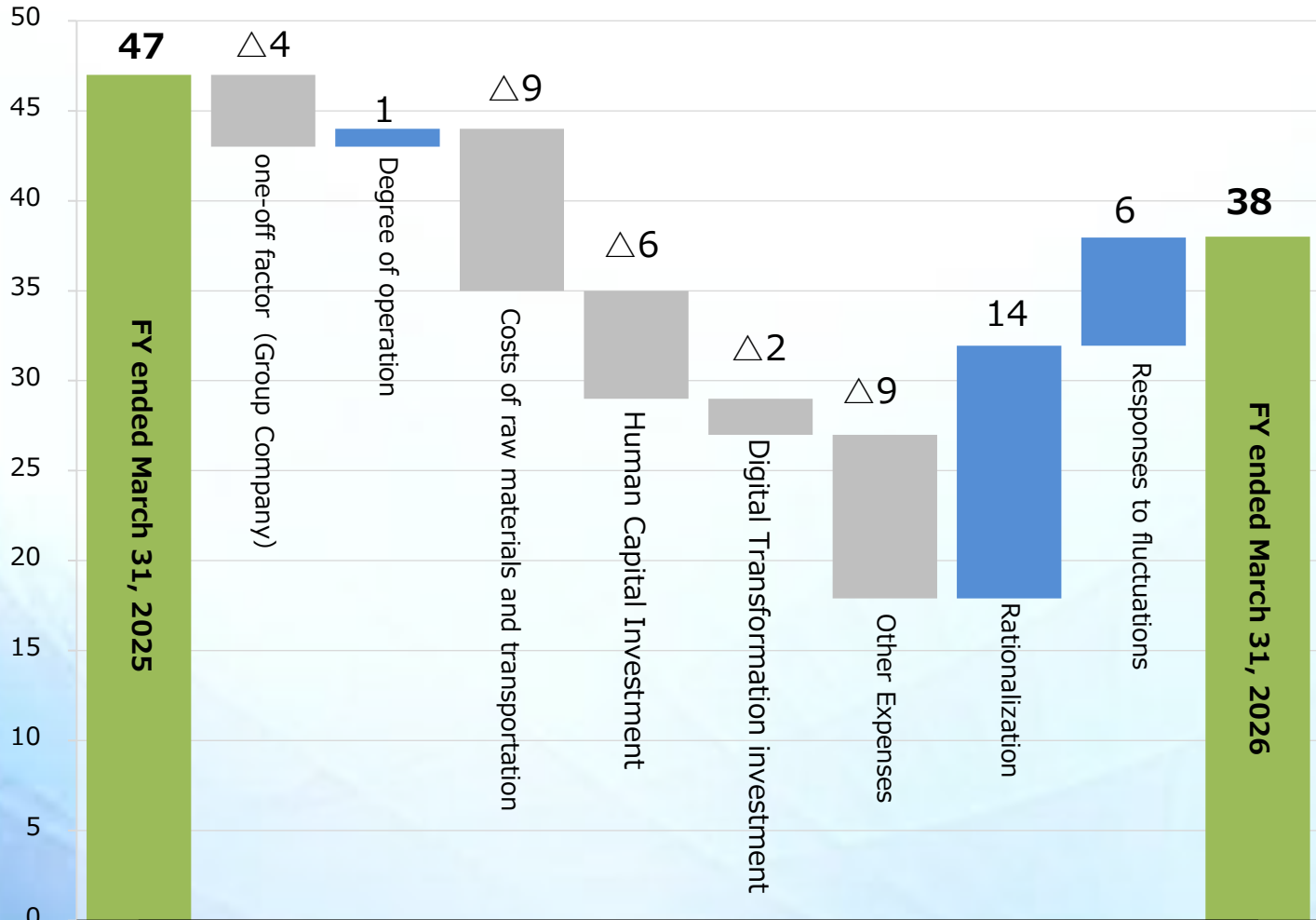
※pp=percentage point

**Profit Decline Due to Unabated Raw Material Costs Despite Price Pass-Through**  
**Operating Profit Decrease Due to JPY 910M Impairment loss in the Anti-Vibration Business**

## 2. Results for FY Ended March 31, 2026

Difference \_ consolidated operating profit (YoY)

(JPY 100M)



Note: Profit for the fiscal year ended March 31, 2025 includes one-off items of JPY 400 million

## 2. Results for FY Ended March 31, 2026

### Financial Position, Cash Flow (Consolidated)

(JPY Millions)

PL	Results as of March 31, 2025	Results as of March 31, 2026	change(YoY)
Sales	89,657	90,025	368
Operating profit	4,721	3,806	- 915
Ordinary profit	4,569	3,864	- 705
Net income	2,931	1,144	- 1,787

BS	Results as of March 31, 2025	Results as of March 31, 2026	change(YoY)
Total current assets	45,597	48,043	2,446
Total non-current assets	33,804	33,643	- 161
Total assets	79,402	76,428	- 2,974
Total liabilities	33,465	37,881	4,416
Total shareholders' equity	43,274	40,869	- 2,405
Total net assets	45,936	43,805	- 2,131
Total liabilities and net assets	79,402	81,686	2,284

CF	Results as of March 31, 2025	Results as of March 31, 2026	change(YoY)
CF from operating activities	6,631	8,044	1,413
CF from investing activities	- 5,835	- 5,384	451
CF from financing activities	- 640	- 814	- 174
Free cash flow	796	2,660	1,864

- Increase in net sales: Steady performance in the functional products, life sciences, and hose businesses
- Decrease in net income: Impairment loss in the Anti-vibration business
- Increase in current assets: Increase in cash and deposits due to increase of sales and borrowings.
- Increase in liabilities: Increase in borrowings.
- Increase in CF from operating activities: The impact of shortened payment terms—caused by measures to comply with the Subcontract Act—has diminished.


### **3. Forecast of Results for FY Ending March 31, 2027**

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### 3. Forecast of Results for FY Ending March 31, 2027

#### Forecast of Results (Consolidated)

(JPY Millions)

	FY ended March 31, 2026	FY ending March 31, 2027		
	Results	Forecast	Change	Change rate
Net sales	90,025	<b>85,000</b>	- 5,025	<b>-5.6%</b>
Operating profit (Operating profit to net sales)	3,806 (4.2%)	<b>3,300</b> <b>(3.9%)</b> 	- 506 (-0.3pp)	<b>-13.2%</b>
Ordinary profit (Ordinary profit to net sales)	3,864 (4.3%)	<b>3,300</b> <b>(3.9%)</b>	- 564 (-0.4pp)	<b>-14.5%</b>
Profit (Profit to net sales)	1,144 (1.3%)	<b>2,300</b> <b>(2.7%)</b>	1,156 (+1.4pp)	<b>+101.0%</b>

\*pp = percentage point

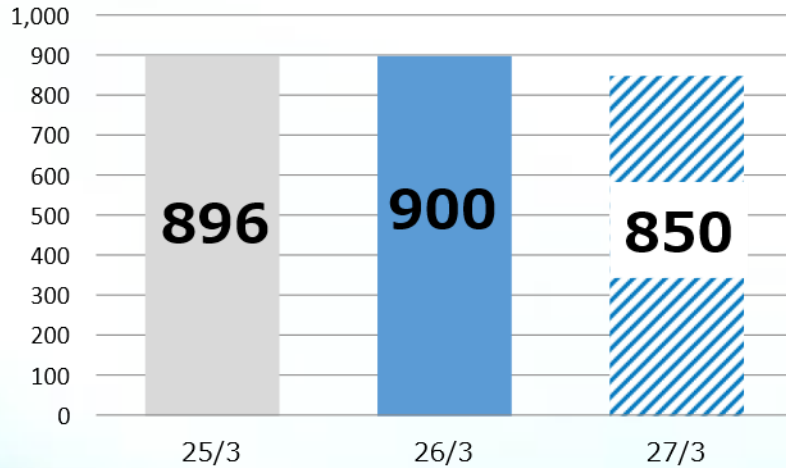
**Sales, operating profit, and ordinary profit are planned to decrease, while net income is planned to increase, reflecting the impact of developments in the Middle East and other factors.**

### 3. Forecast of Results for FY Ending March 31, 2027

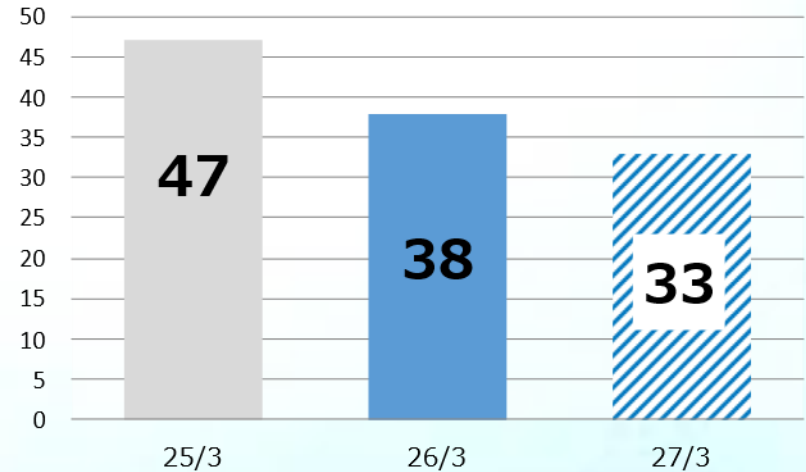
#### Forecast of Results (Consolidated)

(JPY 100M)

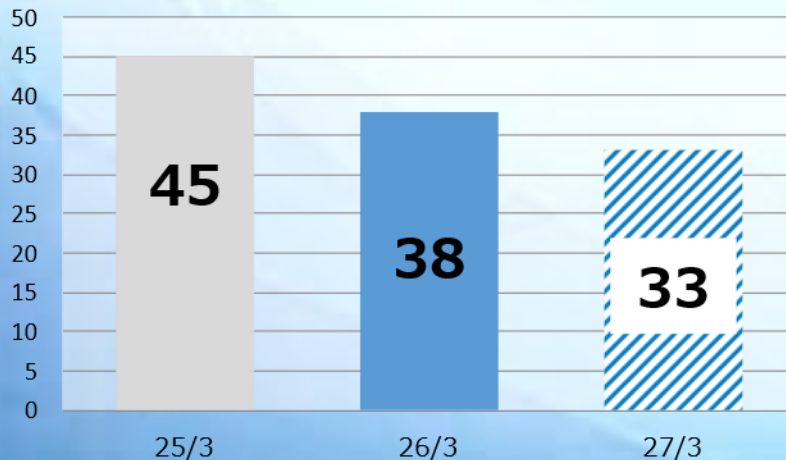
#### Net sales



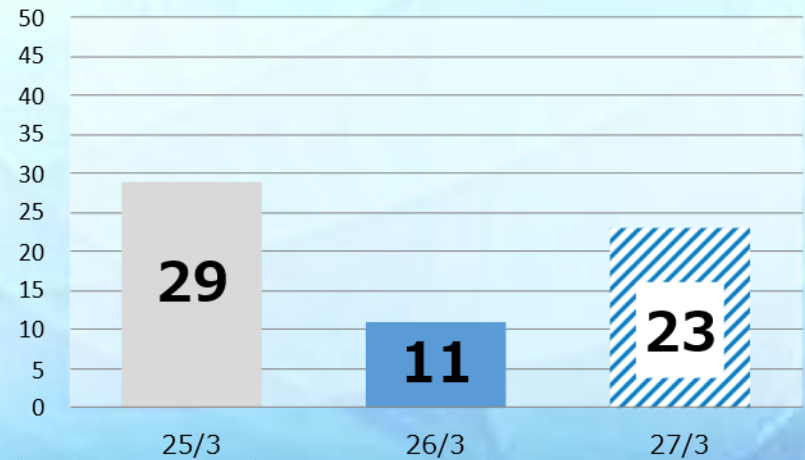
#### Operating profit



#### Ordinary profit



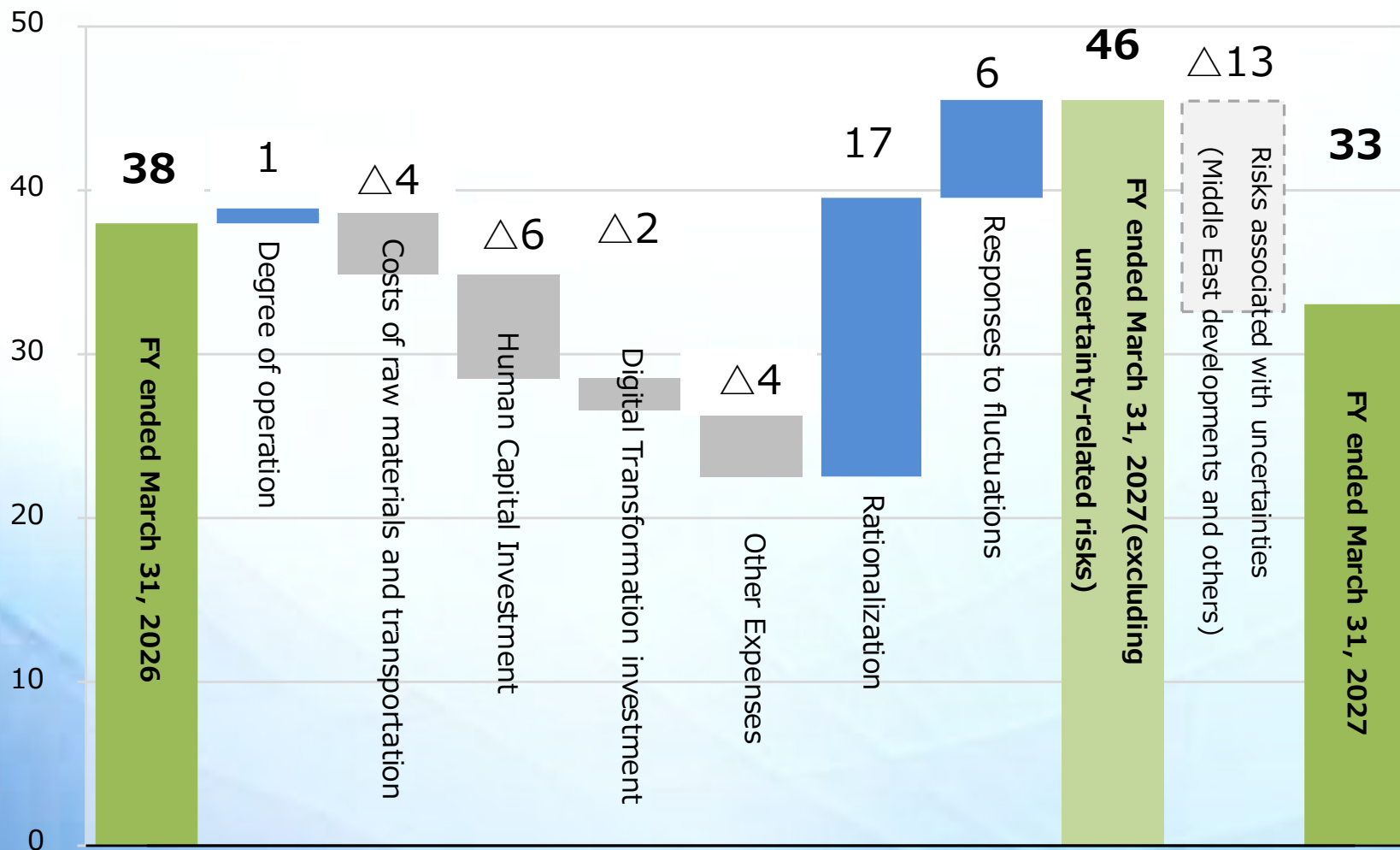
#### Profit



### 3. Forecast of Results for FY Ending March 31, 2027

Difference \_ consolidated operating profit (YoY)

(JPY 100M)



## 4. Status per Segment / Region

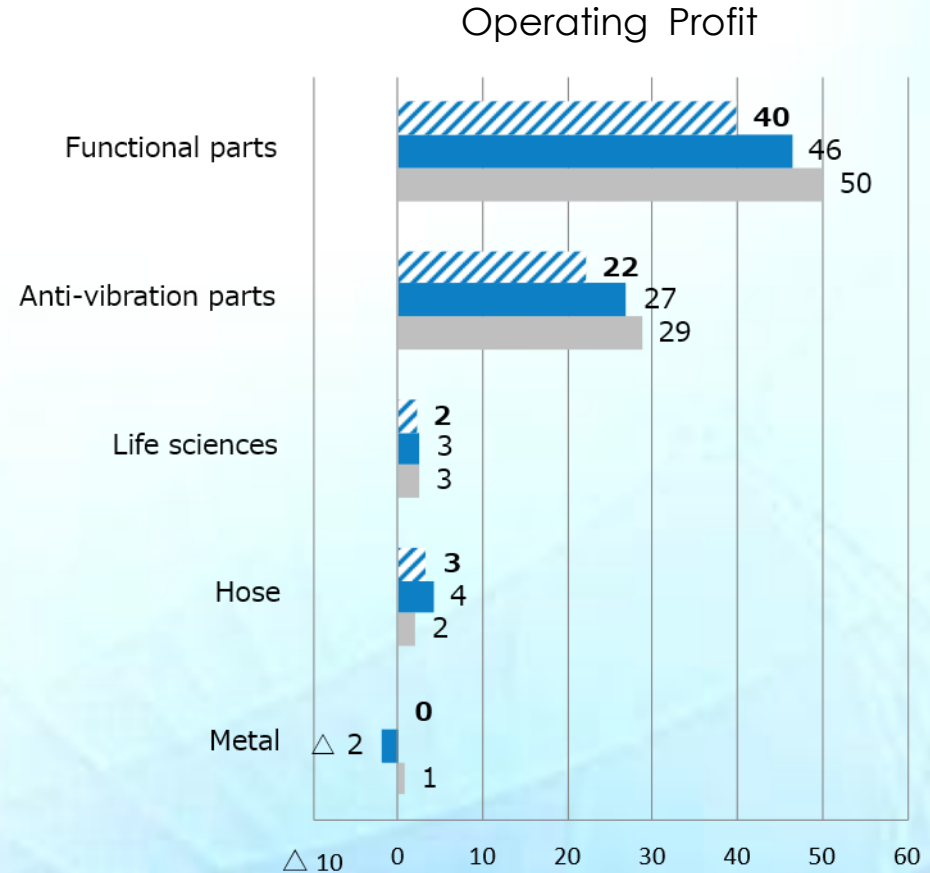
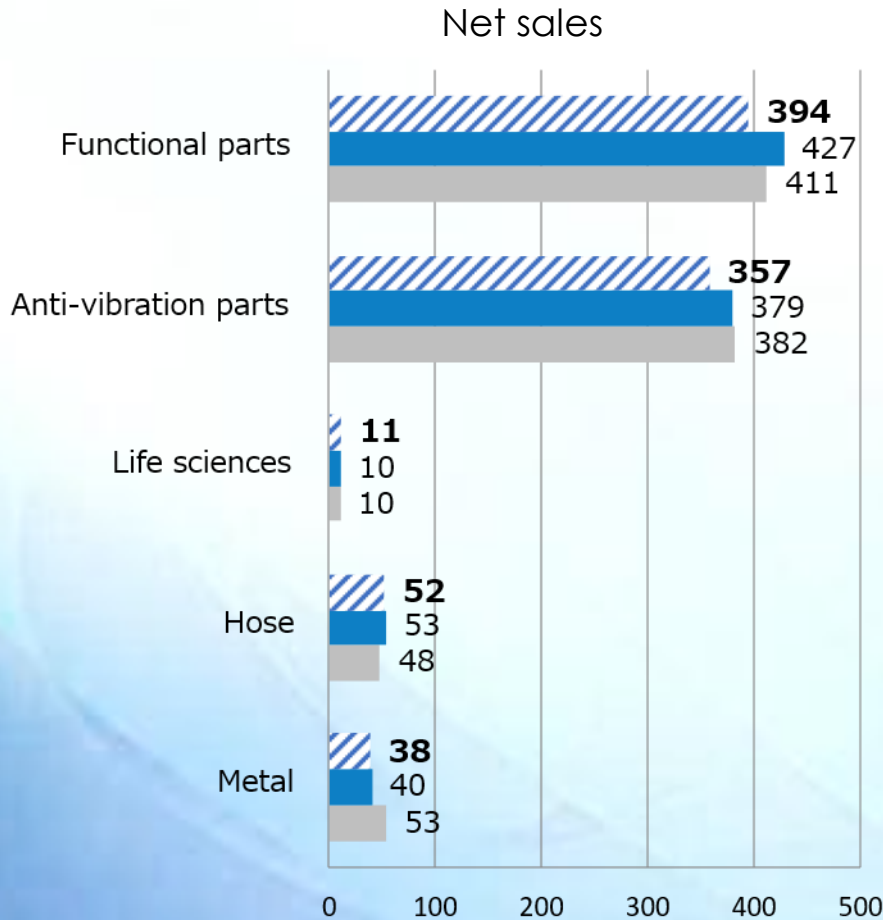
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# 4. Status per Segment / Region

Per segment

- FY ending March 31, 2027
- FY ended March 31, 2026
- FY ended March 31, 2025

\*Before consolidation adjustments  
(JPY 100 Millions)



**FY2026: profits fell in main businesses as higher material costs could not be fully absorbed. Decreased profit in FY ending March 2027 due to uncertainty-related risks.**

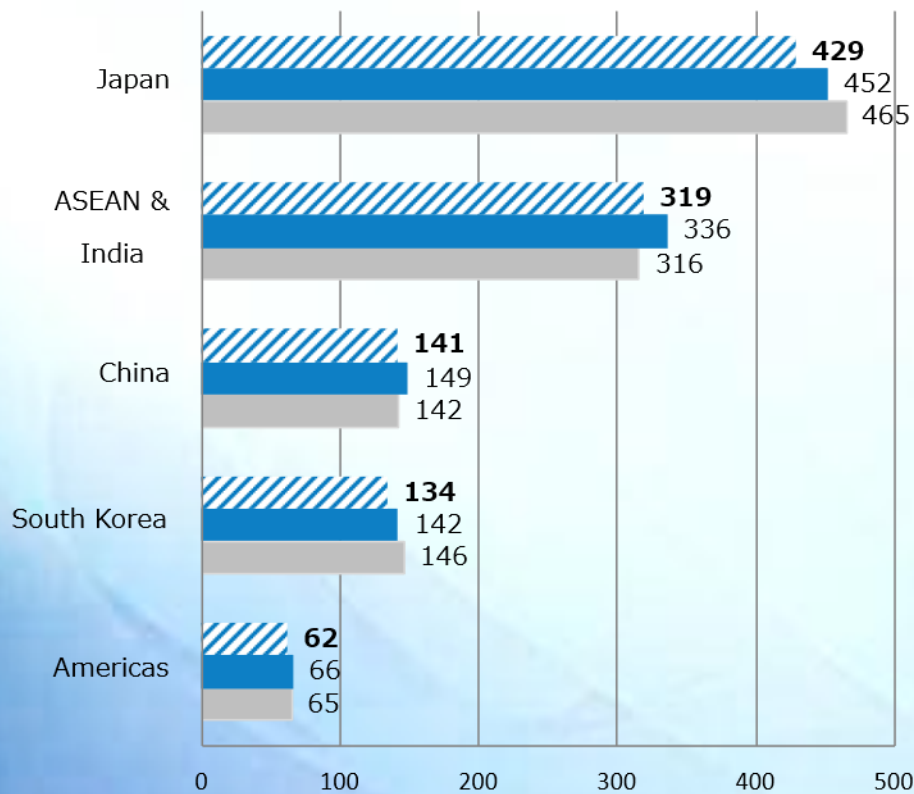
# 4. Status per Segment / Region

## Per Region

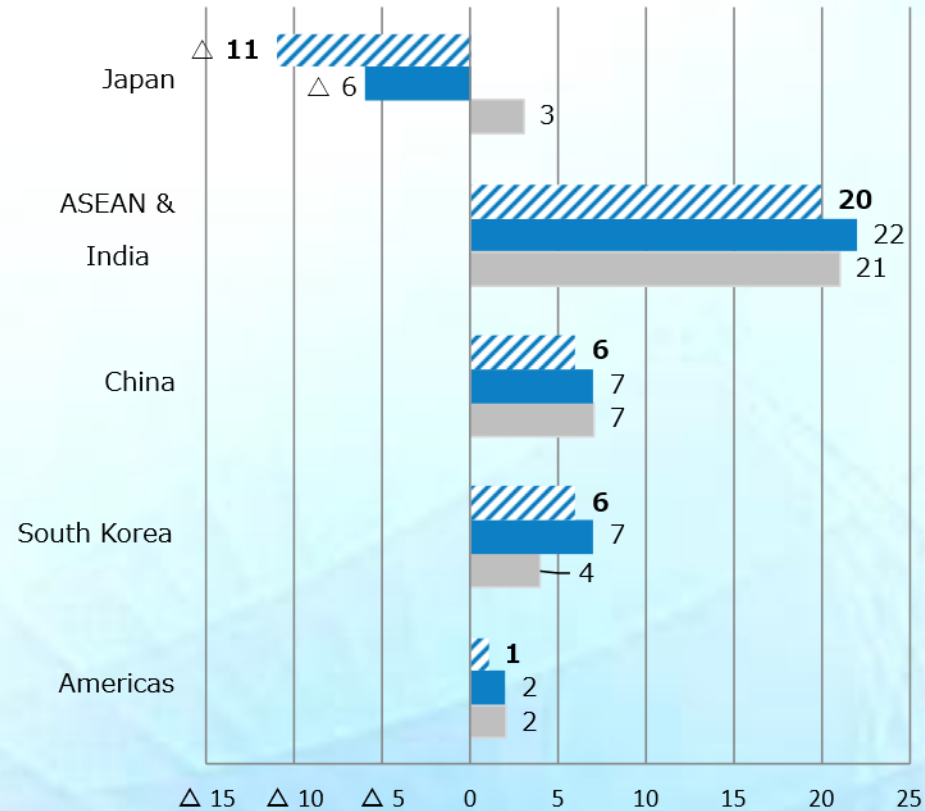
- FY ending March 31, 2027
- FY ended March 31, 2026
- FY ended March 31, 2025

\*Before consolidation adjustments  
(JPY 100 Millions)

### Net Sales



### Operating profit



**FY26: Profit growth expected, mainly driven by ASEAN and India markets with strong growth potential. Decreased profit in FY ending March 2027 due to uncertainty-related risks.**

## 5. Returns to Shareholders

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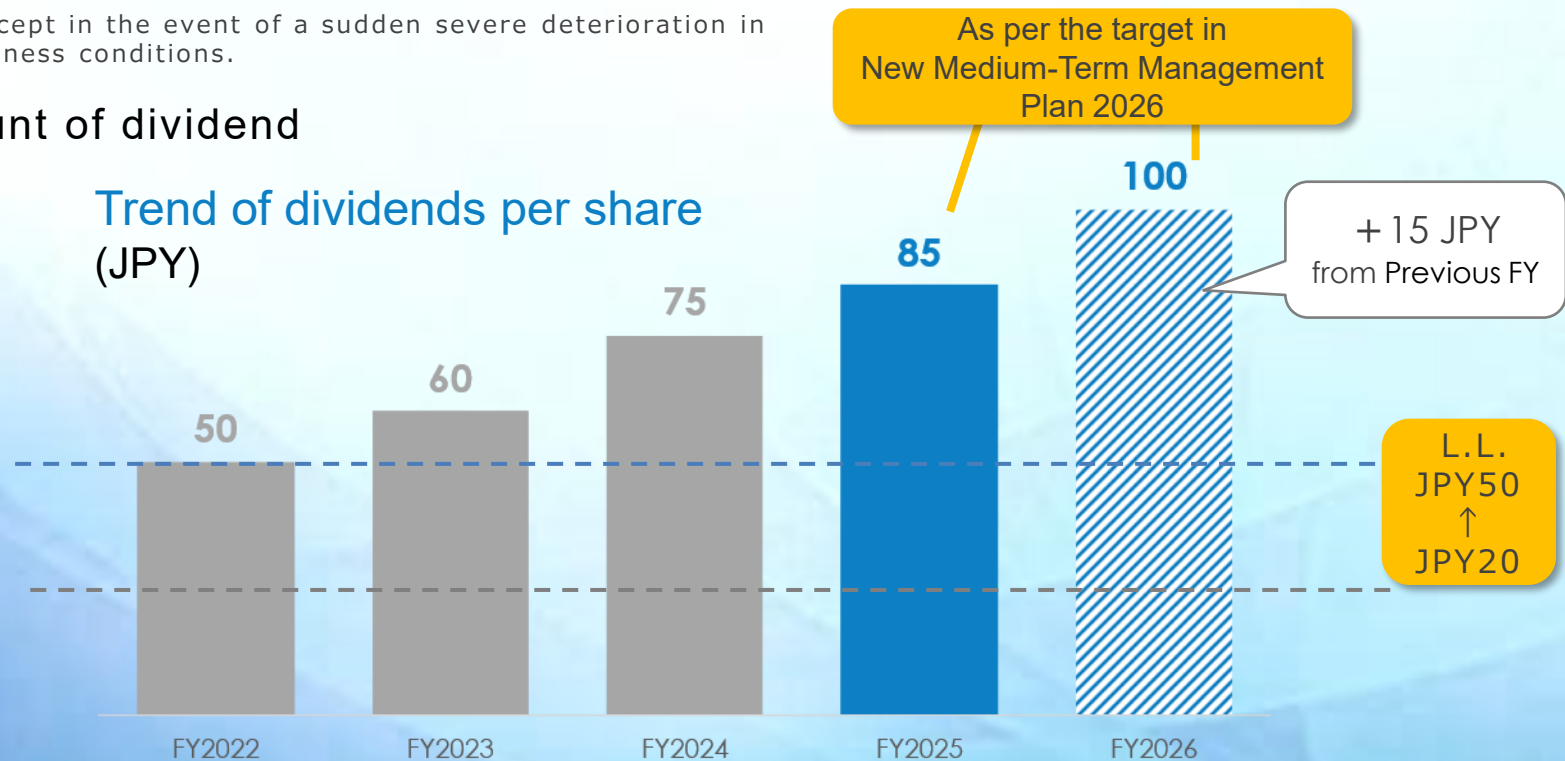
# 5. Returns to Shareholders

## Views on shareholder returns (basic policy on dividends)

- Increase the payout ratio from **30% to 40%**, and raise the minimum dividend from JPY20 per share to **JPY50** per share.
- The dividend per share was **JPY85** as planned; the planned dividend is **JPY100**.
- While mindful of DOE, we will continue to strengthen our shareholder returns.

\*Except in the event of a sudden severe deterioration in business conditions.

## Amount of dividend



## 6. Progress of Business Initiatives

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# 6. Progress of Business Initiatives

## the Medium-Term Management Plan 2026

### Enhancing existing businesses

#### Growing sales through solutions businesses

- Simulation design through in-vehicle evaluation technologies/enhancing R&D in China
- Establishing an R&D function in India

#### Growing sales to high-growth regions

- Enhancing technology and production structures in India and Indonesia

#### Manufacturing-ability innovations and enhancing HR development

- Developing innovative construction methods/automation/IoT adoption
- Enhancing global HR development

## Balancing business strategies

### Growing growth businesses and new businesses

#### Growing industrial and other products

##### Factory automation

Development of/establishment of mass-production systems for precision seals

##### New energy

Development of hydrogen-energy seals and vibration-proofing coatings for wind power

##### Aerospace

Development of vibration-proofing mounts

#### Growth in the CASE market

##### Batteries

Development and sales expansion of holding sheets for continually evolving EV products

Development and sales expansion of thermal radiation gap fillers and large-battery vibration-proofing products

#### Growing life-science products

##### Bio

Cell-culture bags and cultures and cosmetics raw materials

##### Microbiological testing

Establishment of mass-production systems and sales expansion for chemical-resistant microbiological-testing chips

## 6. Progress of Business Initiatives

### Enhancing existing businesses

- Growing sales through solutions businesses (Wiper)

**Business expansion in the Chinese market.**

#### Strengthening Technical Center functions

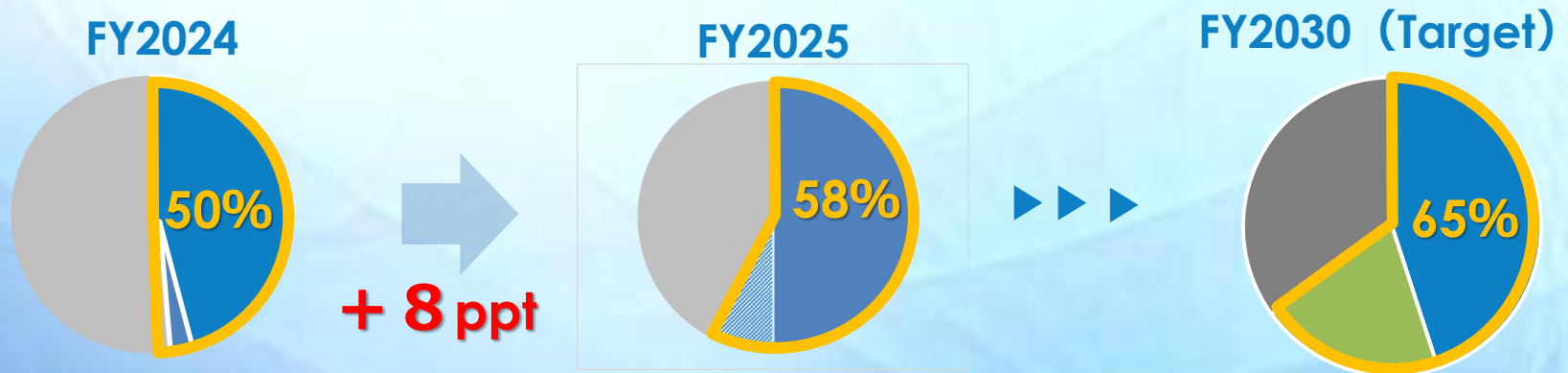
Expand development facilities to match shortened manufacturing cycles and accelerate development to stay competitive.

#### Further expansion to Chinese local manufacturers

Significantly increase domestic market share in China; collaborate with a Chinese wiper-system manufacturer to expand sales to European OEMs.



### OEM Global Share



Strengthen global solution businesses and target a 65% global wiper market share by 2030.

## 6. Progress of Business Initiatives

### Enhancing existing businesses

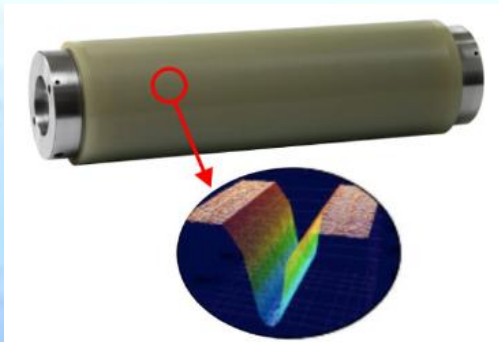
- Growing sales through solutions businesses (Urethane products)

#### Global No.1 in Urethane Rollers for Semiconductor Wire Saws Responding to customers' total-solution needs through an integrated production system

Achieving high quality and short lead times through one-stop production  
Enhancing precision and durability by performing maintenance on roller cores entrusted by customers

#### Achieving extended service life and large-part molding with Fukoku's proprietary technologies

Improving wear and chemical resistance - and thus longevity - through a proprietary urethane formulation. Proprietary compounding techniques enable large-part molding that was not possible with conventional materials.



Main rollers for ingot wire saws



Wire saw rollers, Urethane pulleys

Seek to expand sales by capitalizing on the growing demand for semiconductors

## 6. Progress of Business Initiatives

### Enhancing existing businesses

-Growing sales to high-growth regions (India)

Strengthen R&D

Promote sales

Strengthen price competitiveness

Expand sales to non-Japanese automakers

#### Dampers -

In addition to Japanese manufacturers, we have commenced transactions with Korean manufacturers.



Damper pulley

#### Wipers-

Continuing to Expand Share with Japanese and Indian Manufacturers.



wipers

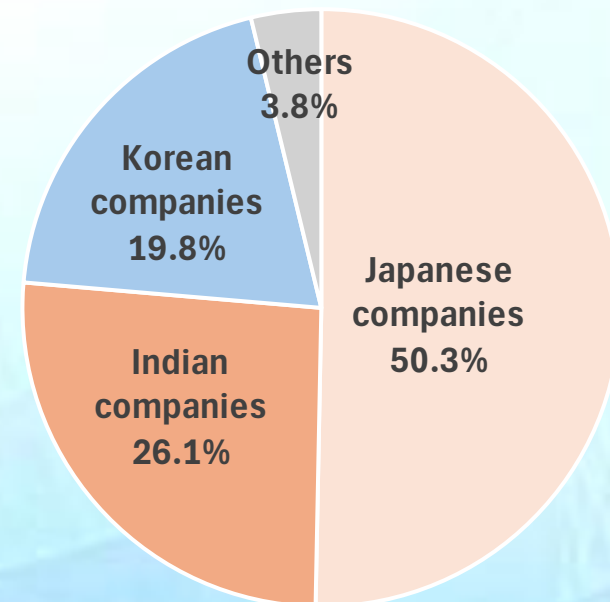


Viscous mount

Developing markets beyond the automotive sector

Expanding into Construction, Agricultural, Rail, and Battery Markets

Car Sales in India: Market Share by Automaker



出所 : Society of Indian Automobile Manufacturers (SIAM)

## Sustaining Growth Far Outpacing the Indian Market

# 6. Progress of Business Initiatives

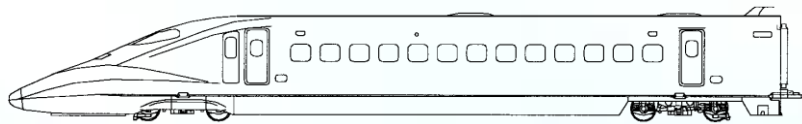
## Enhancing existing businesses

-Growing sales to high-growth regions (anti-vibration products)

### Steadily Securing Orders for Railway Parts (Japan, China, Indonesia)



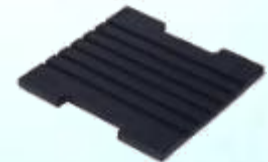
Orders Received from Japan Railway and Indonesia's State Railway (INKA) in the High-Barrier Railway Sector



Single-link bush  
for train



Axle rubber  
(for freight)



Track pads

### Actively Expanding into a Wide Range of Markets (Construction, Agricultural, and Marine)

[Construction & Agricultural Machinery Market] Expanding Sales Channels into European and North American Markets

[Marine-related Parts] Securing New Orders Based on Existing Track Record



Viscoumount



Viscous dampers



# 6. Progress of Business Initiatives

## Enhancing existing businesses

-Growing sales to high-growth regions (U.S.)

### New U.S. Entity in Virginia Established with Korean Subsidiary

Leveraging Korean-supplier Products to Expand Sales and New Market Development in the U.S.; Expanding Product Lineup and Strengthening U.S. Business Base

#### FKC America, Inc. (Completion Illustration)



Factory Scheduled to Start Operations in January 2027



Damper pulley



Thermal gap filler

# 6. Progress of Business Initiatives

## Enhancing existing businesses -Manufacturing-ability innovations

Examples of Automation and Method Improvements

### Wiper Blade Rubber —

Production Process Automation & Labor Reduction



### Resin Boot Products —

Productivity Gains via Process Improvements



Examples of Robotic Applications in Manufacturing

### Viscoumount Production Process —

Collaborative Robot Implementation



### Rubber Mixing Process —

Utilization of Serving food Robots



**Strengthen Cost Competitiveness via Process Improvements, Automation, and Integrated Production**

# 6. Progress of Business Initiatives

## Growing growth businesses and new businesses

- Battery peripheral products

Focus on battery-related products and peripherals

Thermal gap filler/BHS

thermal management solutions

Lineup expansion for future electrification; meeting diverse needs

Contributing to AI-driven thermal-management challenges, including data centers

### Battery Hold Sheet Line-up

Temperature Range	800°C		600°C		400°C	
Configuration	Triple-layer structure  (Insulation material + Elastic layer)	Single-layer structure  (Insulation material)	Triple-layer structure  (Insulation material + Elastic layer)	Single-layer structure  (Insulation material)	Double-layer structure  (Insulation material + Elastic layer)	Single-layer structure  (Elastic layer)

### Thermal Gap Filler Line-up

	Gap Filler Two-component cure		Grease	Sheet
Applications	Separation type / Adhesive type / Electromagnetic wave absorbing type/ Separation type (for different use cases) / High heat resistance Low repulsion			
	In-vehicle battery Water pump Sensors Cameras in-vehicle OBC HEV drive motor	DC-DC converter / Next-generation inverter	ECU Capacitor	In-vehicle battery / Stationary battery storage Data center CPUs / GPUs

# 6. Progress of Business Initiatives

## Growing growth businesses and new businesses -Space business development

**Boosting space-sector competitiveness with next-generation technologies.**

**Adopted for funding under the JAXA Space Strategic Business Fund**

space  
vibration  
isolation

Theme; Development of **“Vibration Damping Mechanism Usable Over a Wide Temperature Range”**

### Rubber Isolators for Launch Environment Applications

(Applicable temperature range : from -40°C to 110°C)



**Space silicone rubber**  
Trademark registration No.6956327  
Our proprietary silicone rubber adapted for space environments

### Temperature-Independent Isolators Using Wire Technology

(Applicable temperature range : from -170°C to 110°C)



- Development founded on proven rubber vibration-isolation products for space use
- End-to-end protection of payloads from launch to on-orbit
- Operates even in extreme high-radiation and cryogenic environments

# 6. Progress of Business Initiatives

## Growing growth businesses and new businesses - Life Science products

### Expand product line-up with new product launches

Cell culture medium / culture bags    **New Product “Activated NK Cell Expansion Kit”**

Strengthen development of media per kinds of cells and bags per various purposes  
Promoting localized production in China, the world’s largest market

media per kinds of cells



bags per various purposes



**Activated NK Cell Expansion Kit**



Microbiological testing

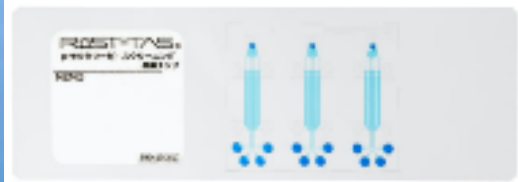
### New Product “RaST-TAS test chip for Enterobacteriales”

Aiming for early insurance coverage, sales expansion and full-scale implementation in clinical settings

**RaST-TAS® Series**  
**β-lactamase/screening reagent chips**



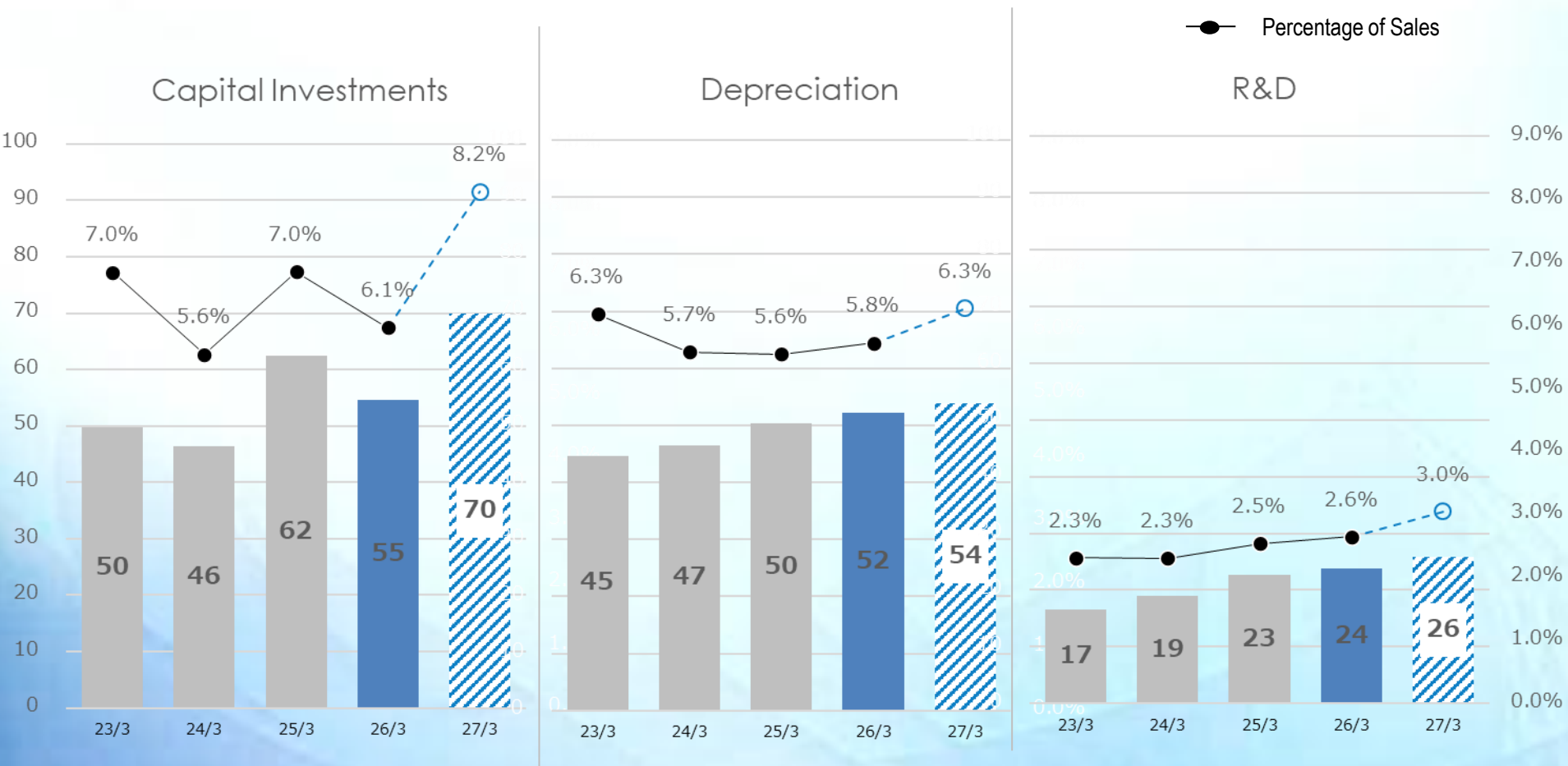
**NEW !**  
**RaST-TAS test chip for Enterobacteriales**



# 6. Progress of Business Initiatives

Trend of Capital investments, Depreciation and R&D Expenditures

(JPY 100 M)



## **7. Toward the Next Medium-Term Management Plan**

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## 7. Toward the Next Medium-Term Management Plan

### Withdrawal of Financial Targets

#### for the Final Fiscal Year of the Medium-Term Management Plan

- The full-year performance targets for the coming fiscal year are substantially misaligned with the targets of the New Medium-Term Management Plan 2026.
- The business environment has changed significantly, and internal efforts alone are insufficient to respond.
- Continued growth along the current trajectory requires a certain degree of reassessment.

Rising Geopolitical Risks

U.S. Tariff Measures

Exchange-rate  
Fluctuations

Inflation & Raw Material Costs

Stagnation in BEV Adoption

### • Withdrawal of Numerical Targets of the Current Medium-Term Management Plan

Final-Year Targets of New Medium-Term Management Plan 2026 and FY2027 Full-Year Forecast

	Targets (as initially announced) (2023/6)	Full-Year Consolidated Financial Forecast(2026/5)	Difference
<b>Sales</b>	120 BY	85 BY	-35BY
<b>Operating profit margin</b>	8.0%	3.9%	-4.1%
<b>ROE</b>	12.0%	6.0%	-6.0%

## 7. Toward the Next Medium-Term Management Plan

Toward the Next Phase of Growth

FY 2026 Designated as the “TRANSFORMATION PHASE”: Priority on Building a Robust Business Foundation for Sustainable Growth

Enhancement of Earning Power

Reduction of Loss-Making and Unprofitable Products;  
Promotion of Cost Reductions

Strengthening Market Strategy

Strengthening Initiatives in Markets Where Our Product and Market Strengths Can Be Leveraged

Strengthening Manufacturing Capabilities

Reform Development, Production and Manufacturing Processes; Realize Next-Generation Production Methods

Launch of New Businesses Utilizing M&A

New Business Creation Utilizing M&A

Building on the transformation in FY 2026, in the next medium-term management plan commencing in FY 2027 **we will focus on strengthening our earning power to enhance profitability and capital efficiency and aim to achieve sustainable growth and improved corporate value.**

From a longer-term perspective, we aim to become “a company that is sincerely loved” by contributing to the realization of a sustainable society through the provision of high value-added products and solutions based on our proprietary core technologies.





# Yes, We Do!

## Note

- ◆ This document contains forward-looking statements including strategies and management plans of Fukoku Co., Ltd. and its group companies. All statements contained in this document, other than statements regarding past and present facts, are forward-looking statements. These forward-looking statements are based on assumptions and judgments that Fukoku Co., Ltd. and the Fukoku Group have made in light of the information currently available, and are thus inherently subject to risks and uncertainties. As such, the business environment surrounding us, future performance, and management results may differ from those presented in this document.
- ◆ Any forward-looking statements contained in this document only speak as of the date of this document, and we undertake no obligation to update any information included in this document to reflect new information or future events after the date of this document.

May 26, 2026  
Fukoku Co., Ltd.