



Financial Results for the Fiscal Year Ended March 31, 2025 [Japan GAAP] (Consolidated)

May 15, 2025

Company Name: 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
 Contact: (Title) Deputy Head of Corporate Planning Headquarters (Name) Norio Nakatsugawa (TEL) 048-615-4400
 Scheduled date of Annual Meeting of Shareholders: June 25, 2025
 Scheduled filing date of the securities report: June 23, 2025
 Scheduled commencement date of dividends payment: June 10, 2025
 Supplementary materials for financial results: : Yes
 Financial results briefing: : Yes (For institutional investors and analysts)
 (Amounts rounded down to the nearest millions of yen.)

1. Consolidated Financial Results for the Fiscal Year Ended March 2025 (From April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(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	%
Fiscal year ended March 31, 2025	89,657	0.9	4,721	29.5	4,569	11.6	2,931	-3.9
Fiscal year ended March 31, 2024	88,847	7.9	3,646	81.4	4,094	30.4	3,050	42.9

(Note) Comprehensive income Fiscal year ended March 31, 2025 5,144 million yen [4.4%] Fiscal year ended March 31, 2024 4,928 million yen [14.0%]

	Profit per share	Profit per share – diluted	Profit to shareholders' equity	Ordinary profit to total assets	Operating profit to net sales
	yen	yen	%	%	%
Fiscal year ended March 31, 2025	181.87	-	7.1	5.9	5.3
Fiscal year ended March 31, 2024	189.35	-	8.1	5.5	4.1

(Reference) Equity method investment gain (loss): Fiscal year ended March 31, 2025 166 million yen Fiscal year ended March 31, 2024 71 million yen

(2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	79,402	45,936	54.5	2,684.64
As of March 31, 2024	76,033	42,010	52.0	2,453.38

(Reference) Shareholders' equity Fiscal year ended March 31, 2025 43,274 million yen Fiscal year ended March 31, 2024 39,537 million yen

(3) Consolidated Cash Flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Fiscal year ended March 31, 2025	6,631	-5,835	-640	11,981
Fiscal year ended March 31, 2024	8,843	-4,466	-2,781	11,399

2. Dividends

	Annual dividends					Total amount of annual dividends	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	End of Q1	End of Q2	End of Q3	End of Q4	Total			
	yen	yen	yen	yen	yen	million yen	%	%
Fiscal year ended March 31, 2024	-	27.50	-	32.50	60.00	966	31.7	2.6
Fiscal year ended March 31, 2025	-	37.50	-	37.50	75.00	1,208	41.2	2.9
Fiscal year ending March 31, 2026 (forecast)	-	42.50	-	42.50	85.00		39.1	

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

* Notes

- (1) Significant changes in the scope of consolidation during the period : None
- (2) 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

(3) Number of shares issued (common shares)

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

Fiscal year ended March 31, 2025	17,609,130 shares	Fiscal year ended March 31, 2024	17,609,130 shares
----------------------------------	-------------------	----------------------------------	-------------------

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

Fiscal year ended March 31, 2025	1,489,742 shares	Fiscal year ended March 31, 2024	1,493,462 shares
----------------------------------	------------------	----------------------------------	------------------

(iii) Average number of shares issued during the period

Fiscal year ended March 31, 2025	16,117,655 shares	Fiscal year ended March 31, 2024	16,112,651 shares
----------------------------------	-------------------	----------------------------------	-------------------

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 2025 (From April 1, 2024 to March 31, 2025)

(1) Non-Consolidated Business Results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Fiscal year ended March 31, 2025	35,447	-0.7	89	-85.0	1,241	-54.0	803	-66.5
Fiscal year ended March 31, 2024	35,692	6.3	595	-	2,698	66.8	2,400	34.6

	Profit per share	Profit per share – diluted
	yen	yen
Fiscal year ended March 31, 2025	49.88	-
Fiscal year ended March 31, 2024	148.97	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
As of March 31, 2025	36,252	21,252	58.6	1,318.46
As of March 31, 2024	37,572	21,566	57.4	1,338.22

(Reference) Shareholders' equity Fiscal year ended March 31, 2025 21,252 million yen Fiscal year ended March 31, 2024 21,566 million yen

* Financial results are not subject to auditing performed by a Certified Public Accountant or audit firm.

* 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 "1. Overview of operating results, etc., (4) Future outlook" 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.

○ Table of Contents of Attachments

1. Overview of Operating Results, etc.	2
(1) Overview of operating results for the fiscal year under review	2
(2) Overview of financial position for the fiscal year under review	3
(3) Overview of cash flows for the fiscal year under review	3
(4) Future outlook	3
(5) Basic policy for appropriation of profits and dividends for the fiscal year under review and next fiscal year	4
2. Basic Approach towards Selection of Accounting Standard	4
3. Consolidated Financial Statements and Key Notes	5
(1) Consolidated balance sheet	5
(2) Consolidated statement of income and consolidated statement of comprehensive income	7
(3) Consolidated statement of changes in equity	9
(4) Consolidated statement of cash flows	11
(5) Notes to consolidated financial statements	13
(Notes to assumptions for ongoing concerns)	13
(Additional information)	13
(Segment information)	14
(Per-share information)	17
(Important subsequent events)	17

1. Overview of Operating Results, etc.

(1) Overview of operating results for the fiscal year under review

The Japanese economy maintained a trend of moderate recovery during the consolidated fiscal year under review, supported by improvements in employment and income conditions, as well as growing inbound demand. However, unstable international conditions and the prolonged slowdown in China's economic growth, along with persistent concerns about inflation, risk of financial market volatility, and the potential impact of US trade policies leave the outlook uncertain.

While the automotive industry remains on track to achieve recovery in production volumes with the recovering supply of semiconductors, the pace of recovery varies by region. Despite aggressive investments in research and development and promotional activities for electric vehicles, there were also signs of reassessment regarding the shift in demand toward electric vehicles.

Under these economic conditions, while our Group has been negatively affected by rising raw material and labor costs, the overall impact on earnings has been positive, supported by a recovery in automobile production and year-round efforts to streamline operations and improve organizational efficiency.

Regarding financial results for the fiscal year under review, consolidated net sales grew 0.9% year on year to 89,657 million yen. Operating profit increased 29.5% year on year to 4,721 million yen. Ordinary profit was up 11.6% year on year to 4,569 million yen, despite the recording of an allowance for doubtful accounts and extraordinary investigation costs resulting from misconduct at Rubber & Plastics Industry Co., Ltd., a consolidated Company subsidiary. Net profit attributable to owners of the parent company was down 3.9% year on year to 2,931 million yen, reflecting the recording of an impairment loss on the non-current assets of the Anti-Vibration segment of Shanghai Fukoku Rubber & Plastics Industry Co., Ltd., as well as income taxes—current incurred in connection with the case of misconduct at the company mentioned.

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

We have changed the classification of our reporting segments from the consolidated fiscal year under review. For the year-on-year comparisons below, we performed a comparative analysis using figures of the previous year reclassified to align with the new segment categories.

For more information, see “3. Consolidated Financial Statements and Key Notes, (5) Notes to Consolidated Financial Statements (Segment Information).”

Functional Parts Business

Net sales grew 5.5% year on year to 41,149 million yen due to a steady flow of orders and the impact of foreign exchange rates. Segment income increased 15.3% year on year to 4,999 million yen due to successful efforts, including streamlining and price increases, to mitigate the impact of increases in raw material and labor costs.

Anti-Vibration Parts Business

Net sales grew 1.1% year on year to 38,177 million yen due to a steady flow of orders and the impact of foreign exchange rates. Segment income increased 33.9% year on year to 2,867 million yen due to successful efforts, including streamlining and price increases, to mitigate the impact of increases in metal parts and labor costs.

Life Science Business

Net sales grew 23.1% year on year to 980 million yen, mainly due to strong orders in Japan. Segment income increased 21.0% year on year to 251 million yen due to increased sales.

Metal Business

We are currently proceeding to downsize unprofitable components in order to contribute to profitability. Net sales fell 20.7% year on year to 5,342 million yen. Segment income increased 256.7% year on year to 80 million yen due to successful efforts, including streamlining and price increases, to mitigate the impact of increases in metal parts and labor costs.

Hose Business

Net sales declined by 11.0% year on year to 4,784 million yen due mainly to lower demand in Southeast Asia. Segment income increased 8.1% year on year to 205 million yen due to successful efforts, including streamlining and price increases in mitigating the impact of increases in raw material and labor costs.

(Reference) Non-Consolidated Financial Results

Regarding non-consolidated financial results, net sales declined 0.7% year on year to 35,447 million yen due to the impact of stagnation in production volume of automotive manufactures. Operating profit fell 85.0% year on year to 89 million yen due to increase in Selling, general and administrative expenses caused by strategic DX investment and others, in addition to sales decrease. Ordinary profit declined 54.0% year on year to 1,241 million yen, reflecting decrease in dividends received and in foreign exchange gains and the recording of extraordinary investigation costs resulting from misconduct at a consolidated Company subsidiary. Net profit was down 66.5% year on year to 8,03 million yen.

(2) Overview of financial position for the fiscal year under review

Assets, liabilities and net assets

(Assets)

Total assets grew by 3,368 million yen from the end of the previous fiscal year to 79,402 million yen.

This was due primarily to a 3,488 million yen increase in non-current assets resulting from the impact of foreign exchange rates and the acquisition of property, plant, and equipment.

(Liabilities)

Liabilities decreased by 557 million yen from the end of the previous fiscal year to 33,465 million yen.

(Net assets)

Net assets grew by 3,926 million yen from the end of the previous fiscal year to 45,936 million yen.

This was due primarily to an increase in retained earnings of 1,803 million yen and an increase in foreign currency translation adjustments of 2,095 million yen.

(3) Overview of cash flows for the fiscal year under review

Cash and cash equivalents ("funds" hereinafter) as of the end of the fiscal year under review were 11,981 million yen, up 582 million yen from the end of the previous fiscal year.

Cash flows and the factors contributing to these changes in the fiscal year under review are as follows.

(Cash flows from operating activities)

Funds provided by operating activities amounted to 6,631 million yen (compared to 8,843 million yen in the same period of the previous year). Primary contributing factors included an increase in funds due to the depreciation and amortization of 5,038 million yen and profit before income tax of 4,453 million yen, as well as a decrease in funds due to a decrease in trade payables of 3,120 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 5,835 million yen (compared to 4,466 million yen in the same period of the previous year). This was due primarily to the acquisition of property, plant, and equipment of 5,801 million yen.

(Cash flows from financing activities)

Funds used in financing activities amounted to 640 million yen (compared to an inflow of 2,781 million yen in the same period of the previous year). Primary contributing factors included a decrease in funds due to dividend payments of 1,128 million yen and an increase in funds due to income from borrowings exceeding repayments by 611 million yen.

(4) Future outlook

While the economy is expected to continue on a path of moderate recovery supported by improvements in the employment and income environment, the outlook remains uncertain due to various destabilizing international factors, rising costs, persistent inflation, volatility risks in financial and capital markets, and the potential impact of US trade policy, which is expected to become

more evident going forward.

In the automotive industry, production volumes are expected to continue to recover at a steady pace, although there will be regional differences. However, developments in US trade policy may have a potential impact 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 for fiscal 2026 of 120 billion yen in net sales; an operating profit margin of 8%; and an ROE of 12%. To this end, the Group will work to 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. From a longer-term perspective, the Company will seek to become a company that is truly admired and beloved—one that helps us move closer to a sustainable society by applying unique core technologies to provide high value-added products and solutions.

The forecast for consolidated net income for the fiscal year ending March 31, 2026, is 88 billion yen, a decrease of 1.8% from the previous fiscal year, reflecting exchange rate differences due to the assumption of a stronger yen. However, by promoting group-wide rationalization and structural improvement activities to further improve profitability, we expect to increase operating profit to 5 billion yen (up 5.9% year on year), ordinary profit to 5 billion yen (up 9.4% year on year), and profit attributable to owners of parent to 3.5 billion yen (up 19.4% year on year).

As it is difficult to reasonably assess the impact of the recent U.S. tariffs on our business and results at this time, we have not included them in our consolidated earnings forecast for the full year.

(5) Basic policy for appropriation of profits and dividends for the fiscal year under review and next fiscal year

The Company positions the return of profits to shareholders as a significant managerial issue, and sets the return of profits to shareholders in accordance with its performance while maintaining stable dividends, and taking internal reserves into consideration with future business development and business characteristics in mind, as one of the basic policies of the Company. Under this policy, the Company has decided to set a consolidated dividend payout ratio of 30% as the standard, and 20 yen per share a year (10 yen per share for the interim and year-end dividends, respectively) as the minimum dividend, except in the case where performance is extremely sluggish due to rapid changes in the management environment.

The year-end dividend will be 37.5 yen per share as announced in the Dividend Forecast on May 15, 2024, which results in an annual dividend of 75 yen per share for the fiscal year under review.

Regarding dividends for the next fiscal year, the Company plans to pay 85 yen per share per year (42.5 yen as an interim dividend and 42.5 yen as a year-end dividend), an increase of 10 yen.

2. Basic Approach towards Selection of Accounting Standard

The Group's policy is to prepare consolidated financial statements based on Japan GAAP for the time being, while taking the comparability of consolidated financial statements between fiscal years and between companies into consideration.

With regard to application of the International Accounting Standards, the Group will take appropriate action in light of the situation at home and abroad.

3. Consolidated Financial Statements and Key Notes

(1) Consolidated balance sheet

(Million yen)

	Previous fiscal year As of March 31, 2024	Fiscal year under review As of March 31, 2025
Assets		
Current assets		
Cash and deposits	12,011	12,422
Notes receivable - trade	852	1,054
Accounts receivable - trade	15,410	14,986
Electronically recorded monetary claims - operating	4,329	4,169
Merchandise and finished goods	6,223	6,596
Work in process	1,345	1,240
Raw materials and supplies	3,858	3,725
Other	1,709	1,441
Allowance for doubtful accounts	-22	-39
Total current assets	45,718	45,597
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,519	8,929
Machinery, equipment and vehicles, net	9,978	10,941
Tools, furniture and fixtures, net	1,141	1,182
Land	6,138	6,517
Leased assets, net	44	109
Construction in progress	873	1,319
Total property, plant and equipment	26,695	29,000
Intangible assets		
Other	1,675	1,903
Total intangible assets	1,675	1,903
Investments and other assets		
Investment securities	1,030	1,259
Long-term prepaid expenses	48	58
Retirement benefit assets	141	307
Deferred tax assets	479	983
Other	243	728
Allowance for doubtful accounts	-	-436
Total investments and other assets	1,944	2,901
Total non-current assets	30,315	33,804
Total assets	76,033	79,402

(Million yen)

	Previous fiscal year As of March 31, 2024	Fiscal year under review As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,373	5,226
Electronically recorded obligations - operating	6,062	3,555
Short-term borrowings	7,130	6,880
Current portion of long-term borrowings	1,634	1,959
Income taxes payable	526	511
Provision for bonuses	799	833
Notes payable - facilities	894	746
Other	4,464	4,527
Total current liabilities	26,885	24,239
Non-current liabilities		
Long-term borrowings	2,759	3,712
Deferred tax liabilities	1,133	1,713
Retirement benefit liabilities	1,573	1,777
Provision for retirement benefits for directors (and other officers)	159	174
Other	1,511	1,848
Total non-current liabilities	7,137	9,226
Total liabilities	34,023	33,465
Net assets		
Shareholders' equity		
Share capital	1,395	1,395
Capital surplus	1,575	1,581
Retained earnings	33,206	35,009
Treasury shares	-1,397	-1,393
Total shareholders' equity	34,780	36,592
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	205	206
Deferred gains or losses on hedges	7	-164
Foreign currency translation adjustment	4,544	6,640
Total accumulated other comprehensive income	4,757	6,682
Non-controlling interests	2,472	2,662
Total net assets	42,010	45,936
Total liabilities and net assets	76,033	79,402

(2) Consolidated statement of income and consolidated statement of comprehensive income

(Consolidated statement of income)

(Million yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Net sales	88,847	89,657
Cost of sales	73,753	72,640
Gross profit	15,093	17,016
Selling, general and administrative expenses		
Salaries	3,945	4,251
Freight and other	2,446	2,522
Depreciation	337	423
Provision for retirement benefits for directors (and other officers)	20	22
Retirement benefit expenses	183	202
Provision for bonuses	189	192
Provision of allowance for doubtful accounts	5	-
Other	4,317	4,678
Total selling, general and administrative expenses	11,446	12,294
Operating profit	3,646	4,721
Non-operating income		
Interest income	78	78
Dividend income	7	10
Share of profit of entities accounted for using equity method	71	166
Foreign exchange gains	260	74
Subsidy income	-	283
Compensation for transfer	280	-
Other	235	286
Total non-operating income	934	900
Non-operating expenses		
Interest expenses	231	200
Provision for allowance for doubtful accounts	-	423
Extraordinary investigation costs	-	213
Other	254	215
Total non-operating expenses	486	1,053
Ordinary profit	4,094	4,569
Extraordinary income		
Gain on termination of retirement benefit plan	-	166
Total extraordinary income	-	166
Extraordinary losses		
Impairment losses	0	282
Total extraordinary losses	0	282
Profit before income taxes	4,093	4,453
Income taxes - current	880	1,140
Income taxes - deferred	87	108
Total income taxes	968	1,249
Profit	3,125	3,204
Profit (loss) attributable to non-controlling interests	74	272
Profit attributable to owners of parent	3,050	2,931

(Consolidated statement of comprehensive income)

(Million yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Profit	3,125	3,204
Other comprehensive income		
Valuation difference on available-for-sale securities	96	1
Deferred gains or losses on hedges	16	-209
Foreign currency translation adjustment	1,663	2,092
Share of other comprehensive income of entities accounted for using equity method	25	56
Total other comprehensive income	1,803	1,940
Comprehensive income	4,928	5,144
Profit attributable to		
Comprehensive income attributable to owners of parent	4,723	4,856
Comprehensive income attributable to non-controlling interests	205	287

(3) Consolidated statement of changes in equity

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,395	1,573	30,969	-1,403	32,534
Changes during period					
Dividends of surplus			-813		-813
Profit attributable to owners of parent			3,050		3,050
Purchase of treasury shares				-0	-0
Change in scope of consolidation		2		6	8
Net changes in items other than shareholders' equity					
Total changes during period	-	2	2,237	6	2,245
Balance at end of period	1,395	1,575	33,206	-1,397	34,780

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment		
Balance at beginning of period	108	-7	2,983	2,333	37,952
Changes during period					
Dividends of surplus					-813
Profit attributable to owners of parent					3,050
Purchase of treasury shares					-0
Change in scope of consolidation					8
Net changes in items other than shareholders' equity	96	15	1,560	139	1,811
Total changes during period	96	15	1,560	139	4,057
Balance at end of period	205	7	4,544	2,472	42,010

Fiscal year under review (From April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,395	1,575	33,206	-1,397	34,780
Changes during period					
Dividends of surplus			-1,128		-1,128
Profit attributable to owners of parent			2,931		2,931
Purchase of treasury shares				-0	-0
		5		3	8
Net changes in items other than shareholders' equity					
Total changes during period	-	5	1,803	3	1,811
Balance at end of period	1,395	1,581	35,009	-1,393	36,592

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment		
Balance at beginning of period	205	7	4,544	2,472	42,010
Changes during period					
Dividends of surplus					-1,128
Profit attributable to owners of parent					2,931
Purchase of treasury shares					-0
Disposal of treasury shares					8
Net changes in items other than shareholders' equity	1	-172	2,095	189	2,114
Total changes during period	1	-172	2,095	189	3,926
Balance at end of period	206	-164	6,640	2,662	45,936

(4) Consolidated statement of cash flows

(Million yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Cash flows from operating activities		
Profit before income taxes	4,093	4,453
Depreciation	4,653	5,038
Impairment losses	0	282
Increase (decrease) in allowance for doubtful accounts	-10	439
Increase (decrease) in provision for bonuses	45	33
Increase (decrease) in retirement benefit assets and liabilities	194	168
Increase (decrease) in provision for retirement benefits for directors (and other officers)	-20	18
Gain on termination of retirement benefit plan	-	-166
Extraordinary investigation costs	-	213
Subsidy income	-	-283
Interest and dividend income	-86	-89
Interest expenses	231	200
Foreign exchange losses (gains)	-149	54
Share of loss (profit) of entities accounted for using equity method	-71	-166
Decrease (increase) in trade receivables	-122	1,375
Decrease (increase) in inventories	122	268
Increase (decrease) in trade payables	213	-3,120
Decrease (increase) in other assets	181	-101
Increase (decrease) in other liabilities	338	-307
Other	223	-113
Subtotal	9,837	8,197
Interest and dividends received	93	103
Interest paid	-230	-213
Amount paid for extraordinary investigation costs	-	-181
Income taxes refund (paid)	-857	-1,274
Cash flow from operating activities	8,843	6,631

(Million yen)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Cash flows from investing activities		
Payments into time deposits	-86	-
Proceeds from withdrawal of time deposits	-	200
Purchase of long-term prepaid expenses	-42	-42
Purchase of property, plant and equipment	-4,027	-5,801
Proceeds from sale of property, plant and equipment	114	33
Purchase of intangible assets	-454	-315
Other	30	90
Cash flow from investing activities	-4,466	-5,835
Cash flow from financing activities		
Proceeds from short-term borrowings	755	559
Repayments of short-term borrowings	-1,626	-1,223
Proceeds from long-term borrowings	1,300	3,300
Repayments of long-term borrowings	-2,308	-2,025
Dividends paid	-813	-1,128
Dividends paid to non-controlling interests	-66	-98
Others	-22	-25
Cash flow from financing activities	-2,781	-640
Effect of exchange rate change on cash and cash equivalents	325	426
Net increase (decrease) in cash and cash equivalents	1,921	582
Cash and cash equivalents at beginning of period	9,478	11,399
Cash and cash equivalents at end of period	11,399	11,981

(5) Notes to consolidated financial statements

(Notes to assumptions for ongoing concerns)

Not applicable.

(Additional information)

(Transition to a retirement benefit plan)

Sueyoshi Kogyo Co., Ltd., one of our consolidated subsidiaries, moved part of its lump-sum retirement benefit plan to a defined contribution pension plan as of April 1, 2024. With regard to the accounting procedures associated with the transition, we have applied “Guidance on Accounting for Transfer between Retirement Benefit Plans” (ASBJ Guidance No. 1, December 16, 2016) and “Practical Solution on Accounting for Transfer between Retirement Benefit Plans” (ASBJ PITF No. 2, February 7, 2007). As a result, a gain on the termination of the retirement benefit plan of 166 million yen has been recorded as an extraordinary gain for the current consolidated fiscal year.

(Segment information)

【Segment information】

1. Overview of Reporting Segments

(1) Methods to determine reporting segments

Reporting segments of the Company are components of the Company for which separate financial information can be obtained and for which the Board of Directors conducts reviews on a regular basis to determine the allocation of management resources and assess business performance.

The Company has business units by finished goods line at its head office. Each business unit develops comprehensive strategies for Japan and overseas and carries out business activities regarding the product line it handles. The parent company, however, directly supervises the businesses of its subsidiaries in Japan that do not belong to the finished goods lines of the business units mentioned above.

This means that the Company consists of segments by finished goods line based on business units and business segments of subsidiaries in Japan that do not belong to the business units. Among them, the Functional Parts Business, the Anti-Vibration Parts Business, the Life Science Business, the Metal Business, and the Hose Business compose the reporting segments.

(2) Categories of finished goods and services belonging to each reporting segment

The Functional Parts Business manufactures and sells seal parts, wiper blade rubber, and OA, among other finished goods. The Anti-Vibration Parts Business manufactures and sells dampers, mounts, and urethane products, among other finished goods. The Life Science Business manufactures and sells bio-related products. The Metal Business manufactures and sells metal parts for trucks and construction machinery, among other finished goods. The Hose Business manufactures and sells hoses and other rubber finished goods.

(3) Notes to Changes in Reporting Segments

Beginning with the current consolidated fiscal year, the reporting segment classification was changed from the previous segments of Functional Parts Business, Anti-Vibration Parts Business, Industrial Equipment Business, Metal Business, and Hose Business to new segments of Functional Parts Business, Anti-Vibration Parts Business, Life Science Business, Metal Business, and Hose Business.

This reorganization is intended to focus more on expanding life science products and industrial products to embody the New Medium-Term Management Plan 2026. As a result of this reorganization, we have made changes to some of our reporting segments to better reflect the actual state of each of our businesses.

The Life Science Business has been established to handle bio-related products that were previously part of the Life Science Products and Industrial Equipment Businesses. The goal is to expand our business in the regenerative medicine and cosmetics markets, in which we anticipate growth, and to promote proactive business activities for life science products, which are attracting increasing attention worldwide.

In addition, aerospace products in the new business area and products for the growing industrial business area have been integrated, and OA products previously in the Industrial Equipment Business have been integrated into the Functional Parts Business to improve production efficiency.

Moreover, to improve the productivity of semiconductor-related products for which we anticipate continuing sales growth, the company integrated the urethane products that belonged to the Industrial Equipment Business into the Anti-Vibration Parts Business.

Segment information for the previous fiscal year is stated based on the reporting segment classification after the change.

2. Method Used to Calculate Net Sales, Income or Loss, Assets, Liabilities and Other Items by Reporting Segment

Accounting procedures adopted for the reported business segments are the same as those adopted for preparation of consolidated financial statements.

Income for the reporting segments is based on operating profit.

Intersegment revenue or transfer is based on market prices.

3. Information on Net Sales, Income or Loss, Assets, Liabilities and Other Items by Reporting Segment

Previous fiscal year (From April 1, 2023 to March 31, 2024)

(Million yen)

	Reporting segment					Total	Adjustments (Note) 1	Amount reported in consolidated financial statements (Note) 2
	Functional Parts	Anti- Vibration Parts	Life science	Metal	Hose			
Net sales								
Sales to external customers	38,298	37,746	796	6,737	5,268	88,847	-	88,847
Intersegment sales or transfer	718	10	-	0	104	833	-833	-
Total	39,016	37,756	796	6,737	5,373	89,681	-833	88,847
Segment income	4,336	2,141	207	22	190	6,897	-3,250	3,646
Segment assets	33,716	29,199	689	3,328	4,715	71,649	4,384	76,033
Other items								
Depreciation	2,057	2,070	31	117	214	4,491	161	4,653
Impairment losses	0	0	-	-	-	0	-	0
Investment in entities accounted for using equity method	-	614	-	-	-	614	-	614
Increase in property, plant and equipment and intangible assets	2,610	1,123	27	174	158	4,093	550	4,644

(Notes) 1. Adjustments are as follows:

- (1) The adjustment of -3,250 million yen for segment income includes an inter-segment elimination of 1 million yen and corporate expenses that are not allocated to any reporting segments totaling -3,252 million yen. Corporate expenses are primarily general and administrative expenses that are not attributable to any reporting segments.
 - (2) The adjustment of 4,384 million yen for segment assets includes an inter-segment elimination of -980 million yen and company-wide assets that are not allocated to any reporting segments totaling 5,364 million yen. Company-wide assets are primarily cash and deposits that are not attributable to any reporting segments.
 - (3) The 161 million yen adjustment for depreciation and amortization is primarily attributable to depreciation of system-related non-current assets at the parent company.
 - (4) The adjustment of 550 million yen for the increase in property, plant and equipment and intangible assets is the increase in company-wide assets that are not allocated to any reporting segments.
2. Segment income is adjusted to be consistent with operating profit recorded in the consolidated financial statements.

Fiscal year under review (From April 1, 2024 to March 31, 2025)

(Million yen)

	Reporting segment					Total	Adjustments (Note) 1	Amount reported in consolidated financial statements (Note) 2
	Functional Parts	Anti- Vibration Parts	Life science	Metal	Hose			
Net sales								
Sales to external customers	40,455	38,167	980	5,342	4,710	89,657	-	89,657
Intersegment sales or transfer	693	9	-	0	73	776	-776	-
Total	41,149	38,177	980	5,342	4,784	90,433	-776	89,657
Segment income	4,999	2,867	251	80	205	8,404	-3,682	4,721
Segment assets	35,807	31,234	828	3,067	4,874	75,813	3,589	79,402
Other items								
Depreciation	2,411	2,024	41	122	204	4,805	233	5,038
Impairment losses	-	282	-	-	-	282	-	282
Investment in entities accounted for using equity method	-	818	-	-	-	818	-	818
Increase in property, plant and equipment and intangible assets	3,037	2,362	80	159	192	5,832	405	6,238

(Notes) 1. Adjustments are as follows:

- (1) The adjustment of -3,682 million yen for segment income includes an inter-segment elimination of -0 million yen and corporate expenses that are not allocated to any reporting segments totaling -3,682 million yen. Corporate expenses are primarily general and administrative expenses that are not attributable to any reportable segments.
 - (2) The adjustment of 3,589 million yen for segment assets includes an inter-segment elimination of -1,005 million yen and company-wide assets that are not allocated to any reporting segments totaling 4,594 million yen. Company-wide assets are primarily cash and deposits that are not attributable to any reporting segments.
 - (3) The 233 million yen adjustment for depreciation and amortization is primarily attributable to depreciation of system-related non-current assets at the parent company.
 - (4) The adjustment of 405 million yen for the increase in property, plant and equipment and intangible assets is the increase in company-wide assets that are not allocated to any reporting segments.
2. Segment income is adjusted to be consistent with operating profit recorded in the consolidated financial statements.

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

(Significant impairment loss on non-current assets)

Previous fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable

Current fiscal year (From April 1, 2024 to March 31, 2025)

In the “Anti-Vibration Parts Business” segment, we have recorded an impairment loss on the non-current assets of our consolidated subsidiary, Shanghai Fukoku Rubber & Plastics Industry Co., Ltd. The amount of impairment loss recorded was 282 million yen.

(Per-share information)

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Net assets per share	2,453.38	2,684.64
Profit per share	189.35	181.87

(Notes) 1. Profit per share – diluted is not stated as there are no dilutive shares.

2. The basis for calculation of profit per share is as follows:

	Previous fiscal year (From April 1, 2023 to March 31, 2024)	Fiscal year under review (From April 1, 2024 to March 31, 2025)
Profit per share		
Profit attributable to owners of parent (million yen)	3,050	2,931
Amount not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent related to common shares (million yen)	3,050	2,931
Average number of shares issued during the period (thousand shares)	16,112	16,117

(Important subsequent events)

Not applicable.