



Financial Results for the Fiscal Year Ended March 31, 2026 [Japan GAAP] (Consolidated)

May 15, 2026

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) Director & Corporate Officer, CFO (Name) Yoshisuke Matsuoka (TEL) 048-615-4400
 Scheduled date of Annual Meeting of Shareholders: June 24, 2026
 Scheduled filing date of the securities report: June 22, 2026
 Scheduled commencement date of dividends payment: June 9, 2026
 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 2026 (From April 1, 2025 to March 31, 2026)

(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, 2026	90,025	0.4	3,806	-19.4	3,864	-15.4	1,144	-61.0
Fiscal year ended March 31, 2025	89,657	0.9	4,721	29.5	4,569	11.6	2,931	-3.9

(Note) Comprehensive income Fiscal year ended March 31, 2026 2,407 million yen [-53.2%] Fiscal year ended March 31, 2025 5,144 million yen [4.4%]

	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, 2026	73.67	-	2.7	4.8	4.2
Fiscal year ended March 31, 2025	181.87	-	7.1	5.9	5.3

(Reference) Equity method investment gain (loss): Fiscal year ended March 31, 2026 159 million yen Fiscal year ended March 31, 2025 166 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, 2026	81,686	43,805	50.0	2,873.63
As of March 31, 2025	79,402	45,936	54.5	2,684.64

(Reference) Shareholders' equity Fiscal year ended March 31, 2026 40,869 million yen Fiscal year ended March 31, 2025 43,274 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, 2026	8,044	-5,384	-814	13,940
Fiscal year ended March 31, 2025	6,631	-5,835	-640	11,981

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, 2025	-	37.50	-	37.50	75.00	1,208	41.2	2.9
Fiscal year ended March 31, 2026	-	42.50	-	42.50	85.00	1,289	115.4	3.1
Fiscal year ending March 31, 2027 (forecast)	-	50.00	-	50.00	100.00		61.8	

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	85,000	-5.6	3,300	-13.3	3,300	-14.6	2,300	100.9	161.72

* Notes

- (1) Significant changes in the scope of consolidation during the period : Yes
 New 1 company (Company name) FKC America, Inc., Removed - company(ies)
 (Company name)
- (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, 2026	15,909,130 shares	Fiscal year ended March 31, 2025	17,609,130 shares
(ii) Number of treasury shares at the end of the period	Fiscal year ended March 31, 2026	1,686,762 shares	Fiscal year ended March 31, 2025	1,489,742 shares
(iii) Average number of shares issued during the period	Fiscal year ended March 31, 2026	15,537,435 shares	Fiscal year ended March 31, 2025	16,117,655 shares

(Reference) Summary of Non-Consolidated Financial Results

I. Non-Consolidated Financial Results for the Fiscal Year Ended March 2026 (From April 1, 2025 to March 31, 2026)

(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, 2026	35,735	0.8	-701	-	1,280	3.1	-504	-
Fiscal year ended March 31, 2025	35,447	-0.7	89	-85.0	1,241	-54.0	803	-66.5

	Profit per share	Profit per share – diluted
	yen	yen
Fiscal year ended March 31, 2026	-32.46	-
Fiscal year ended March 31, 2025	49.88	-

(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, 2026	36,141	16,290	45.1	1,145.39
As of March 31, 2025	36,252	21,252	58.6	1,318.46

(Reference) Shareholders' equity Fiscal year ended 16,290 million yen Fiscal year ended 21,252 million yen
 March 31, 2026 March 31, 2025

* 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 4 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 fiscal year under review

The Japanese economy maintained a course of moderate recovery during the consolidated fiscal year under review, supported by improving employment and income conditions and the results of various government measures. Nevertheless, the need to monitor rising geopolitical risks and fluctuations in the cost of energy and raw materials associated with rising tensions and instability in the Middle East, in addition to the downside economic risks of US trade policies and continuing inflation, leave the outlook increasingly uncertain.

Trends in the automotive industry differ from region to region. While production volumes expanded in China and remained stable in Japan, there are signs of slowing in certain Southeast Asian markets. Although expected to grow in the medium to long term, demand for electric vehicles has nevertheless entered a readjustment phase due to policy changes and other factors, and future market trends warrant close monitoring.

Regarding financial results for the fiscal year under review, consolidated net sales grew 0.4% year on year to 90,025 million yen, driven by steady sales in the Functional Parts Business, the Life Science Business, and the Hose Business. Operating profit fell 19.4% year on year to 3,806 million yen, as efforts related to improving productivity, streamlining, and pricing proved insufficient to offset rising raw material costs, labor costs, other expenses, and the rebound from a temporary reversal of cost of sales (423 million yen recorded in fiscal year 2024) recorded in connection with misconduct discovered at a consolidated subsidiary in November 2024. Ordinary profit was down 15.4% year on year to 3,864 million yen, as the decline in operating profit more than offset factors such as the recording of gains on sale of securities from sale of some cross-shareholdings intended to improve capital efficiency, the occurrence of foreign exchange gains, and a rebound from the temporary expenses associated with the misconduct referred to above (totaling 637 million yen for provision of allowance for doubtful accounts and extraordinary investigation costs, recorded in the fiscal year 2024). Profit attributable to owners of parent was down 61.0% year on year to 1,144 million yen, reflecting the recording of an impairment loss of 918 million yen on Company non-current assets in the Anti-Vibration Parts Business segment.

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

Functional Parts Business

Net sales grew 3.7% year on year to 42,689 million yen due to the steady flow of orders for Thermally conductive gap filler, a product on which the Company focused sales expansion efforts, and products for local wiper makers in China. Segment income declined 7.2% year on year to 4,640 million yen as increased sales and productivity improvements, streamlining, and price increases proved unable to fully mitigate the impact of rising raw material and labor costs.

Anti-Vibration Parts Business

Net sales fell 0.8% year on year to 37,857 million yen as both domestic and overseas orders remained sluggish. Amid sluggish sales, segment income decreased 6.0% year on year to 2,694 million yen, as productivity improvements, streamlining, and price increases proved unable to fully mitigate the impact of increases in metal parts and labor costs, in addition to the rebound from a temporary reversal of cost of sales (423 million yen recorded in fiscal year 2024) in connection with the misconduct described above.

Life Science Business

Net sales grew 6.2% year on year to 1,041 million yen, due mainly to strong orders for bio-related products. Segment income grew 2.5% year on year to 257 million yen due mainly to increased sales.

Metal Business

Net sales fell 25.8% year on year to 3,961 million yen as we proceeded to select and concentrate businesses to improve profitability. Segment income showed a loss of 201 million yen (vs. segment income of 80 million yen last year), as progress on efforts to improve profitability by withdrawing from unprofitable components proved insufficient to offset the increase in raw material and labor cost ratios.

Hose Business

Net sales grew by 10.4% year on year to 5,280 million yen due mainly to strong orders for products for commercial vehicle use. Segment income grew 104.6% year on year to 420 million yen due to increased sales and various successful efforts, including productivity improvements achieved through automation, streamlining, and price increases, to mitigate the rising cost of raw materials and labor.

(Reference) Non-Consolidated Financial Results

For non-consolidated financial results, net sales grew by 0.8% year on year to 35,735 million yen. Production volumes of automakers in Japan remained steady. Operating profit showed a loss of 701 million yen (vs. income of 89 million yen last year) while net sales remained largely flat year on year due to the fact that efforts such as productivity improvements, streamlining, and price increases proved unable to fully mitigate the impact of rising raw material and labor costs, combined with an increase in selling, general and administrative expenses attributable to strategic DX investments. Ordinary profit grew 3.1% year on year to 1,280 million yen, reflecting an increase in dividends received, the recording of gains on sale of investment securities, the occurrence of foreign exchange gains, and other factors. Net profit showed a loss of 504 million yen (vs. net income of 803 million yen last year) due to the recording of an impairment loss on Company non-current assets in the Anti-Vibration Parts Business segment and loss on valuation of Company holdings of investment securities issued by a consolidated subsidiary.

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

Assets, liabilities and net assets

(Assets)

Total assets grew by 2,283 million yen from the end of the previous fiscal year to 81,686 million yen due primarily to a 2,445 million yen increase in current assets resulting from an increase in cash and deposits.

(Liabilities)

Liabilities increased by 4,415 million yen from the end of the previous fiscal year to 37,881 million yen due primarily to a 3,863 million yen increase in non-current liabilities resulting from an increase in borrowings.

(Net assets)

Net assets declined by 2,131 million yen from the end of the previous fiscal year to 43,805 million yen due primarily to a decline in retained earnings of 2,356 million yen and an increase in foreign currency translation adjustments of 733 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 13,940 million yen, up 1,958 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 8,044 million yen, compared to 6,631 million yen in the same period of the previous year. Primary contributing factors included increases in funds due to depreciation and amortization of 5,222 million yen and profit before income taxes of 2,946 million yen, as well as a decrease in funds due to a decrease in trade payables of 736 million yen.

(Cash flows from investing activities)

Funds used in investing activities amounted to 5,384 million yen, compared to 5,835 million yen in the same period of the previous year. This was due primarily to 5,227 million yen for purchase of property, plant, and equipment.

(Cash flows from financing activities)

Funds used in financing activities amounted to 814 million yen, compared to an 640 million yen in the same period of the previous year. Primary contributing factors included decreases in funds due to the purchase of 3,163 million yen in treasury shares and dividend payments of 1,289 million yen, and an increase in funds due to income from borrowings exceeding repayments by 3,779 million yen.

(4) Future outlook

Supported by improvements in the employment and income environment and the effects of various policies, the economy is expected to remain on a path of recovery. However, the outlook is increasingly uncertain due to rising geopolitical risks and fluctuating energy and raw material costs associated with the escalation and increasing instability of the situation in the Middle East, in addition to the downside economic risks of US trade policies and persistent inflation.

In the automotive industry, production volumes are expected to continue recovering at a steady pace, despite region to regional differences. Expected to grow in the medium to long term, demand for electric vehicles has entered a readjustment phase, and future market trends warrant close monitoring.

Under these circumstances, the Company will prioritize the expansion of earnings and the improvement of capital efficiency, and will strengthen its business operations to achieve these objectives.

From a longer-term perspective, the Company will seek to become “a company that is sincerely loved”—one that helps us move closer to a sustainable society by applying unique core technologies to provide high value-added products and solutions.

Incorporating the impact of the Middle East situation and other factors to a certain extent, forecasts for consolidated financial results for the fiscal year ending March 31, 2027, call for net sales of 85 billion yen (down 5.6% year on year), operating profit of 3.3 billion yen (down 13.3% year on year), ordinary profit of 3.3 billion yen (down 14.6% year on year), and profit attributable to owners of parent of 2.3 billion yen (up 100.9% year on year), resulting in a forecast of decreased revenue and increased profit.

The above forecasts are based on information available at the time of publication and may differ from actual results for various reasons.

(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 42.5 yen per share as announced in the Dividend Forecast on May 15, 2025, which results in an annual dividend of 85 yen per share for the fiscal year under review.

Regarding dividends for the next fiscal year, the Company plans to pay 100 yen per share per year (50 yen as an interim dividend and 50 yen as a year-end dividend), an increase of 15 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, 2025	Fiscal year under review As of March 31, 2026
Assets		
Current assets		
Cash and deposits	12,422	14,327
Notes receivable - trade	1,054	891
Accounts receivable - trade	14,986	15,331
Electronically recorded monetary claims - operating	4,169	4,075
Merchandise and finished goods	6,596	6,864
Work in process	1,240	1,170
Raw materials and supplies	3,725	4,045
Other	1,441	1,465
Allowance for doubtful accounts	-39	-128
Total current assets	45,597	48,043
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,929	8,690
Machinery, equipment and vehicles, net	10,941	10,322
Tools, furniture and fixtures, net	1,182	1,197
Land	6,517	6,999
Construction in progress	1,319	1,394
Others, net	109	217
Total property, plant and equipment	29,000	28,823
Intangible assets		
Other	1,903	1,986
Total intangible assets	1,903	1,986
Investments and other assets		
Investment securities	1,259	1,366
Deferred tax assets	983	1,091
Retirement benefit assets	307	-
Other	786	825
Allowance for doubtful accounts	-436	-450
Total investments and other assets	2,901	2,833
Total non-current assets	33,804	33,643
Total assets	79,402	81,686

(Million yen)

	Previous fiscal year As of March 31, 2025	Fiscal year under review As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,226	5,587
Electronically recorded obligations - operating	3,555	2,705
Short-term borrowings	6,880	7,058
Current portion of long-term borrowings	1,959	2,444
Income taxes payable	511	534
Provision for bonuses	833	911
Other	5,273	5,548
Total current liabilities	24,239	24,791
Non-current liabilities		
Long-term borrowings	3,712	6,944
Deferred tax liabilities	1,713	2,001
Retirement benefit liabilities	1,777	2,058
Provision for retirement benefits for directors (and other officers)	174	204
Other	1,848	1,881
Total non-current liabilities	9,226	13,090
Total liabilities	33,465	37,881
Net assets		
Shareholders' equity		
Share capital	1,395	1,395
Capital surplus	1,581	1,514
Retained earnings	35,009	32,653
Treasury shares	-1,393	-2,266
Total shareholders' equity	36,592	33,296
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	206	190
Deferred gains or losses on hedges	-164	9
Foreign currency translation adjustment	6,640	7,374
Total accumulated other comprehensive income	6,682	7,573
Non-controlling interests	2,662	2,935
Total net assets	45,936	43,805
Total liabilities and net assets	79,402	81,686

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

(Consolidated statement of income)

(Million yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Net sales	89,657	90,025
Cost of sales	72,640	72,930
Gross profit	17,016	17,094
Selling, general and administrative expenses		
Salaries	4,251	4,702
Freight and other	2,522	2,414
Depreciation	423	471
Provision for retirement benefits for directors (and other officers)	22	20
Retirement benefit expenses	202	218
Provision for bonuses	192	218
Provision of allowance for doubtful accounts	-	16
Other	4,678	5,226
Total selling, general and administrative expenses	12,294	13,288
Operating profit	4,721	3,806
Non-operating income		
Interest income	78	80
Dividend income	10	15
Gain on sales of investment securities	2	135
Share of profit of entities accounted for using equity method	166	159
Foreign exchange gains	74	94
Subsidy income	283	-
Other	283	261
Total non-operating income	900	747
Non-operating expenses		
Interest expenses	200	193
Provision for allowance for doubtful accounts	423	36
Extraordinary investigation costs	213	-
Repayment of employment subsidies	-	270
Other	215	188
Total non-operating expenses	1,053	689
Ordinary profit	4,569	3,864
Extraordinary income		
Gain on termination of retirement benefit plan	166	-
Total extraordinary income	166	-
Extraordinary losses		
Impairment losses	282	918
Total extraordinary losses	282	918
Profit before income taxes	4,453	2,946
Income taxes - current	1,140	1,362
Income taxes - deferred	108	142
Total income taxes	1,249	1,505
Profit	3,204	1,441
Profit (loss) attributable to non-controlling interests	272	296
Profit attributable to owners of parent	2,931	1,144

(Consolidated statement of comprehensive income)

(Million yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Profit	3,204	1,441
Other comprehensive income		
Valuation difference on available-for-sale securities	1	-15
Deferred gains or losses on hedges	-209	215
Foreign currency translation adjustment	2,092	735
Share of other comprehensive income of entities accounted for using equity method	56	32
Total other comprehensive income	1,940	966
Comprehensive income	5,144	2,407
Profit attributable to		
Comprehensive income attributable to owners of parent	4,856	2,036
Comprehensive income attributable to non-controlling interests	287	371

(3) Consolidated statement of changes in equity

Previous fiscal year (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
Disposal of treasury shares					-
Restricted stock compensation		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					-
Restricted stock compensation					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

Fiscal year under review (From April 1, 2025 to March 31, 2026)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,395	1,581	35,009	-1,393	36,592
Changes during period					
Dividends of surplus			-1,289		-1,289
Profit attributable to owners of parent			1,144		1,144
Purchase of treasury shares				-3,163	-3,163
Disposal of treasury shares		-72	-2,211	2,284	-
Restricted stock compensation		5		7	12
Net changes in items other than shareholders' equity					
Total changes during period	-	-67	-2,356	-872	-3,296
Balance at end of period	1,395	1,514	32,653	-2,266	33,296

	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	206	-164	6,640	2,662	45,936
Changes during period					
Dividends of surplus					-1,289
Profit attributable to owners of parent					1,144
Purchase of treasury shares					-3,163
Disposal of treasury shares					-
Restricted stock compensation					12
Net changes in items other than shareholders' equity	-15	173	733	273	1,164
Total changes during period	-15	173	733	273	-2,131
Balance at end of period	190	9	7,374	2,935	43,805

(4) Consolidated statement of cash flows

(Million yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	4,453	2,946
Depreciation	5,038	5,222
Impairment losses	282	918
Increase (decrease) in provision for bonuses	33	77
Increase (decrease) in retirement benefit assets and liabilities	168	542
Increase (decrease) in provision for retirement benefits for directors (and other officers)	18	26
Gain on termination of retirement benefit plan	-166	-
Extraordinary investigation costs	213	-
Subsidy income	-283	-
Interest and dividend income	-89	-95
Interest expenses	200	193
Foreign exchange losses (gains)	54	-13
Share of loss (profit) of entities accounted for using equity method	-166	-159
Loss (gain) on sales of investment securities	-2	-135
Repayment of employment subsidies	-	270
Decrease (increase) in trade receivables	1,375	335
Decrease (increase) in inventories	268	-309
Increase (decrease) in trade payables	-3,120	-736
Decrease (increase) in other assets	-101	-47
Increase (decrease) in other liabilities	-307	418
Other	328	14
Subtotal	8,197	9,468
Interest and dividends received	103	155
Interest paid	-213	-191
Amount paid for extraordinary investigation costs	-181	-
Income taxes refund (paid)	-1,274	-1,388
Cash flow from operating activities	6,631	8,044

(Million yen)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Cash flows from investing activities		
Payments into time deposits	200	34
Purchase of long-term prepaid expenses	-5,801	-5,227
Purchase of intangible assets	-315	-409
Proceeds from sales of investment securities	2	159
Other	79	59
Cash flow from investing activities	-5,835	-5,384
Cash flow from financing activities		
Proceeds from short-term borrowings	559	1,652
Repayments of short-term borrowings	-1,223	-1,583
Proceeds from long-term borrowings	3,300	5,858
Repayments of long-term borrowings	-2,025	-2,147
Purchase of treasury shares	-0	-3,163
Dividends paid	-1,128	-1,289
Dividends paid to non-controlling interests	-98	-98
Others	-25	-42
Cash flow from financing activities	-640	-814
Effect of exchange rate change on cash and cash equivalents	426	113
Net increase (decrease) in cash and cash equivalents	582	1,958
Cash and cash equivalents at beginning of period	11,399	11,981
Cash and cash equivalents at end of period	11,981	13,940

(5) Notes to consolidated financial statements

(Notes to assumptions for ongoing concerns)

Not applicable.

(Notes regarding significant changes in the amount of shareholders' equity)

The Company purchased 1,904,600 shares of treasury stock through a market tender by a resolution passed by the Board of Directors in its meeting held November 5, 2025. This purchase, including purchases of shares in less than the minimum trading unit, increased treasury shares by 3,163 million yen during the consolidated fiscal year under review.

In addition, by a resolution passed by the Board of Directors in its meeting held February 13, 2025, the Company retired 1,700,000 shares of treasury stock effective February 27, 2025. This decreased capital surplus by 72 million yen, retained earnings by 2,211 million yen, and treasury shares by 2,284 million yen.

These transactions reduced treasury shares by 872 million yen to 2,266 million yen at the end of the consolidated fiscal year under review.

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

(Changes to matters related to fiscal years etc. of consolidated subsidiaries)

Previously, the fiscal year of Fukoku India Pvt. Ltd. ended on December 31, and its financial statements as of that date were used to make adjustments as necessary for consolidation purposes for major transactions arising between that date and the end of the Company's fiscal year on March 31. However, beginning with this consolidated fiscal year, the end of the fiscal year of Fukoku India Pvt. Ltd. is March 31.

In connection with this change, this subsidiary's financial results for the consolidated fiscal year under review have been consolidated for the 15-month period from January 1, 2025 through March 31, 2026 and adjusted through the consolidated statement of income.

Since the net sales of this consolidated subsidiary amounted to 833 million yen for the period from January 1, 2025, to March 31, 2025, this change has had negligible effects on operating income, ordinary income, and profit before income taxes.

(Important changes in the scope of consolidation)

FKC America, Inc. was newly established and added to the scope of consolidation during the consolidated fiscal year under review.

(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

(Matters related to fiscal years etc. of consolidated subsidiaries)

Previously, the fiscal year of Fukoku India Pvt. Ltd. had ended on December 31, and its financial statements as of that date were used to make adjustments as necessary for consolidation purposes for major transactions arising between that date and the end of the Company's fiscal year on March 31. However, beginning with this consolidated fiscal year, the end of the fiscal year of Fukoku India Pvt. Ltd. is March 31.

In connection with this change, this subsidiary's financial results for the consolidated fiscal year under review have been consolidated for the 15-month period from January 1, 2025, through March 31, 2026 and adjusted through the consolidated statement of income.

As a result of this change, net sales of the Functional Parts Business increased by 285 million yen and net sales of the Anti-Vibration Parts Business increased by 548 million yen in the consolidated fiscal year under review. This change had negligible effects on segment income.

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, 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 reporting 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.

Fiscal year under review (From April 1, 2025 to March 31, 2026)

(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	41,944	37,815	1,041	3,961	5,262	90,025	-	90,025
Intersegment sales or transfer	745	41	-	-	18	805	-805	-
Total	42,689	37,857	1,041	3,961	5,280	90,831	-805	90,025
Segment income (loss)	4,640	2,694	257	-201	420	7,811	-4,004	3,806
Segment assets	36,878	32,045	918	2,306	5,191	77,340	4,345	81,686
Other items								
Depreciation	2,667	1,914	45	133	205	4,966	255	5,222
Impairment losses	-	918	-	-	-	918	-	918
Investment in entities accounted for using equity method	-	959	-	-	-	959	-	959
Increase in property, plant and equipment and intangible assets	2,981	1,762	90	280	166	5,280	498	5,779

(Notes) 1. Adjustments are as follows:

- (1) The adjustment of -4,004 million yen for segment income (loss) includes an intersegment elimination of 2 million yen and corporate expenses not allocated to any reporting segments totaling -4,007 million yen. Corporate expenses are primarily general and administrative expenses not attributable to any reportable segments.
- (2) The adjustment of 4,345 million yen for segment assets includes an intersegment elimination of -1,035 million yen and company-wide assets not allocated to any reporting segments totaling 5,381 million yen. Company-wide assets are primarily cash and deposits not attributable to any reporting segments.
- (3) The 255 million yen adjustment for depreciation and amortization is primarily attributable to depreciation of systems-related non-current assets at the parent company.
- (4) The adjustment of 498 million yen for the increase in property, plant and equipment and intangible assets is the increase in company-wide assets not allocated to any reporting segments.

2. Segment income (loss) 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, 2024, to March 31, 2025)

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

Current fiscal year (from April 1, 2025, to March 31, 2026)

In the Anti-Vibration Parts Business segment, we recorded an impairment loss on non-current assets of the Company. The amount of the impairment loss recorded was 918 million yen.

(Per-share information)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Net assets per share	2,684.64	2,873.63
Profit per share	181.87	73.67

(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, 2024 to March 31, 2025)	Fiscal year under review (From April 1, 2025 to March 31, 2026)
Profit per share		
Profit attributable to owners of parent (million yen)	2,931	1,144
Amount not attributable to common shareholders (million yen)	-	-
Profit attributable to owners of parent related to common shares (million yen)	2,931	1,144
Average number of shares issued during the period (thousand shares)	16,117	15,537

(Important subsequent events)

Not applicable.