



Consolidated Financial Highlights for FY2024 [Japanese GAAP]

May 14, 2025

Company name: TACHI-S CO., LTD. Stock exchange listings: Tokyo Stock Exchange
 Code number: 7239 URL: <https://www.tachi-s.co.jp/>
 Representative: (Title) Representative Director, President, CEO & COO (Name) Yuichiro Yamamoto
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 Scheduled date of the annual general meeting of shareholders: June 26, 2025
 Scheduled date of start of dividend payment: June 5, 2025
 Scheduled date of submission of securities report: June 26, 2025
 Additional materials to financial results : Yes
 Holding of the financial results briefing session : Yes (for security analysts and institutional investors)
 (Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for FY2024 (April 1, 2024 through March 31, 2025)

(1) Consolidated Operating Results (% indicates the changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	285,394	(2.6)	9,625	33.6	10,768	23.0	11,310	108.6
FY2023	292,947	20.3	7,205	426.9	8,755	343.6	5,422	(6.9)

(Note) Comprehensive income FY2024 10,263 million yen [(22.6%)]
 FY2023 13,254 million yen [20.8%]

	Net income per share	Diluted net income per share	Capital adequacy net income ratio	Total assets ordinary income ratio	Sales operating income ratio
	yen	yen	%	%	%
FY2024	329.93	325.90	12.2	6.1	3.4
FY2023	158.25	-	6.4	5.0	2.5

(Note) Equity in earnings (losses) of affiliated companies FY2024 392 million yen
 FY2023 1,079 million yen

(2) Consolidated Financial Positions

	Total assets	Shareholder's equity	Shareholder's equity ratio	Net assets per share
	Million yen	Million yen	%	yen
FY2024	171,957	98,185	56.0	2,808.25
FY2023	180,806	96,298	49.7	2,618.84

(Note) Equity capital FY2024 96,273 million yen
 FY2023 89,776 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
FY2024	9,764	3,962	(9,294)	43,593
FY2023	18,447	(2,083)	(13,370)	39,127

2. Dividends

	Annual cash dividends per share					Total dividend (Total)	Dividend payout ratio (Consolidated)	Total assets dividend rate (Consolidated)
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of fiscal year	Total			
	yen	yen	yen	yen	yen	Million yen	%	%
FY2023	-	46.40	-	46.40	92.80	3,212	58.6	3.7
FY2024	-	51.90	-	51.90	103.80	3,592	31.5	3.8
FY2025 (Forecast)	-	51.90	-	51.90	103.80		44.5	

Dividends for the fiscal year ending March 31, 2026, are currently under consideration in the process of implementing Wave 2 in the new medium-term management plan, which will start in FY2025.

3. Consolidated Forecast for FY2025 (April 1, 2025 through March 31, 2026)

(% indicates the changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	257,000	(9.9)	9,000	(6.5)	10,000	(7.1)	8,000	(29.3)	233.36

* Notes

- (1) Significant changes in the scope of consolidation during the period : Yes
Exclusion: 3 companies (company name) TF-METAL U.S.A., LLC, Techno Trim, Inc. and TACHI-S Engineering Europe S.A.R.L.
- (2) Changes in accounting policies, changes in accounting estimates, and restatement.
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes
 - (ii) Changes in accounting policies except (i) : No
 - (iii) Changes in accounting estimates : No
 - (iv) Restatement : No

(3) Number of outstanding shares (common stock)

(i) Number of shares at the end of the period (including treasury shares)	FY2024	35,242,846 shares	FY2023	35,242,846 shares
(ii) Number of treasury shares at the end of the period	FY2024	960,417 shares	FY2023	961,817 shares
(iii) Average number of shares outstanding during the period	FY2024	34,281,660 shares	FY2023	34,267,169 shares

(Note) Outline of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for FY2024 (April 1, 2024 through March 31, 2025)

(1) Non-Consolidated Operating Results (% indicates the changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2024	107,272	(6.3)	4,531	196.1	9,588	55.5	10,787	82.8
FY2023	114,431	19.5	1,530	-	6,167	69.1	5,902	(32.4)

	Net income per share	Diluted net income per share
	yen	yen
FY2024	314.67	310.82
FY2023	172.25	-

(2) Non-consolidated financial position

	Total assets	Shareholder's equity	Shareholder's equity ratio	Net assets per share
	Million yen	Million yen	%	yen
FY2024	96,901	63,432	65.5	1,850.11
FY2023	94,370	57,325	60.7	1,672.23

(Note) Equity capital
FY2024 63,426 million yen
FY2023 57,325 million yen

* These financial highlights are not subject to audit procedures.

* Note for appropriate use of this business forecast and other notices

The above business forecast was based on the information that the Company obtained at this time and certain premises that the Company judged appropriate. Actual results may differ from this forecast as the result of a variety of factors.

Please refer to the appended materials on page 4 "1. Overview of the Operating Results, etc. (4) Outlook for the fiscal year ending March 31, 2026" for the assumptions underlying the forecasts and precautions when using the earnings forecasts.

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1. Overview of the Operating Results, etc.

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

During the fiscal year under review, the Japanese economy remained on a gradual recovery trend in which corporations were advancing investments for the future, such as in digital transformation, labor-saving measures, decarbonization-related activities, and the building of supply chain resilience on the back of solid corporate business performance. Although the wage hike rate in the annual spring wage negotiations for 2025 is expected to continue to rise, following the results of 2023 and 2024, consumer spending, which is the core of domestic demand, lacks strength amid ongoing rising prices. The major risks include the impact of the U.S. Trump Administration's main policy changes on the global economy and the Chinese economy, which remains stagnant.

In the automotive industry in which the Group operates, with the shift to new-energy vehicles progressing slower than initially expected in the whole of the global market except China, where new-energy vehicles are posting remarkable growth, automotive manufacturers are scrambling to revise their car model strategies and investment plans. Whereas the auto industry is making investments in response to the added value transformation that vehicles are expected to offer through the reportedly once-in-a-century technological innovation, the industry is compelled to deal with challenges such as inflation, the impact of the U.S. Trump Administration's policy changes, and geopolitical risks. In this environment, it has become more important than ever for suppliers including TACHI-S to address the challenges in an autonomous and speedy manner.

The fiscal year under review is the final year of Wave 0 and Wave 1 in the medium-term management plan "Transformative Value Evolution (TVE)," which was launched in fiscal year 2021. In the face of changes to the business environment, the Group has engaged in three additional initiatives toward earnings improvement since fiscal year 2023. The first initiative is to improve the earnings of unprofitable businesses by taking actions such as business downsizing and plant consolidation. The second one is to improve marginal profit by reflecting cost increases caused by inflation in selling prices in addition to the Group's internal effort to further slash material and logistics costs. The third is to optimize fixed costs through revisions to the development and administrative systems, and others. As a result, earnings structure reforms have progressed in Japan, North America, and Latin America, and the Group has the prospect of transforming into a structure that can generate sustainable operating income in all regions except North America and China. In respect of other achievements from main business activities, the Group has launched the production of the seats for N-BOX JOY and N-VAN for Honda Motor Co., Ltd. and for Land Cruiser 250 for Toyota Motor Corporation in Japan, and has started producing the frame TTK-X used in the Group's new standard front seats and seats of new KICKS for Nissan Mexican S.A. de C.V. As for quality, the Group has received a great number of quality awards from customers in regions as a result of the steady efforts made so far by the Group being recognized.

In this operating environment, net sales decreased 2.6% over the previous fiscal year to 285,394 million yen, but operating income was 9,625 million yen (up 33.6% year on year), ordinary income was 10,768 million yen (up 23.0% year on year), and net income attributable to owners of parent was 11,310 million yen (up 108.6% year on year).

Earnings in the business segments are as follows.

(i) Japan

Net sales totaled 115,502 million yen (down 7.7% from the previous fiscal year), and operating income was 6,797 million yen (up 97.2% from the previous fiscal year).

(ii) North America

Net sales totaled 43,849 million yen (down 19.7% from the previous fiscal year), and operating loss was 65 million yen (compared to an operating loss of 1,023 million yen in the previous fiscal year).

(iii) Latin America

Net sales totaled 103,711 million yen (up 13.7% from the previous fiscal year), and operating income was 3,018 million yen (down 24.3% from the previous fiscal year).

(iv) Europe

Net sales totaled 14 million yen (net sales of 0 million yen in the previous fiscal year), and operating loss was 61 million yen (compared to an operating income of 174 million yen in the previous fiscal year).

(v) China

Net sales totaled 18,214 million yen (down 4.5% from the previous fiscal year), and operating loss was 602 million yen (compared to an operating income of 601 million yen in the previous fiscal year).

(vi) Southeast Asia

Net sales totaled 4,101 million yen (up 35.6% from the previous fiscal year), and operating income was 577 million yen (compared with an operating income of 38 million yen in the previous fiscal year).

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

Total assets at the end of the fiscal year under review decreased by 8,848 million yen from the end of the previous fiscal year to 171,957 million yen. This was mainly due to a decrease of 5,956 million yen in investment securities, primarily resulting from the sale of shares of subsidiaries and associates, and a decrease of 1,407 million yen in “other” under investments and other assets due to a decrease in investments in capital of subsidiaries and associates.

Total liabilities decreased by 10,735 million yen from the end of the previous fiscal year to 73,772 million yen. This was mainly caused by a decrease of 6,424 million yen in notes and accounts payable - trade and a decrease of 2,021 million yen in accrued expenses, etc.

Net assets increased by 1,886 million yen from the end of the previous fiscal year to 98,185 million yen. This was primarily due to an increase of 7,908 million yen in retained earnings as opposed to a decrease of 1,287 million yen in valuation difference on available-for-sale securities and a decrease of 4,616 million yen in non-controlling interests.

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

Cash and cash equivalents at the end of the fiscal period under review (hereinafter referred to as “cash”) were 43,593 million yen, up 4,465 million yen (11.4%) compared with the end of the previous fiscal year.

(Cash flow from operating activities)

Funds obtained from operating activities totaled 9,764 million yen, a decrease of 8,682 million yen (47.1%) compared with the previous fiscal year. This was mainly due to a decrease of 3,309 million yen in working capital and a decrease of 6,292 million yen in “other” in cash flows from operating activities mainly due to a decrease in accrued expenses, despite an increase of 2,019 million yen in operating income, resulting from an improvement in earning power.

(Cash flows from investing activities)

Funds obtained in investing activities totaled 3,962 million yen, an increase of 6,045 million yen compared with the previous fiscal year (2,083 million yen used in the previous fiscal year). This was mainly due to an increase of 3,921 million yen in proceeds from sale of property, plant and equipment and an increase of 3,558 million yen in proceeds from sale of shares of subsidiaries and associates.

(Cash flows from financing activities)

Funds used in financing activities totaled 9,294 million yen, a decrease of 4,076 million yen (30.5%) compared with the previous fiscal year. This was mainly due to an increase of 3,850 million yen in repayments to non-controlling shareholders as opposed to a net increase of 9,335 million yen in short-term borrowings due to an decrease in repayments of short-term borrowings compared to the previous fiscal year.

(Reference) Changes in cash flow-related financial indicators

	Fiscal Year ended March 31, 2021	Fiscal Year ended March 31, 2022	Fiscal Year ended March 31, 2023	Fiscal Year ended March 31, 2024	Fiscal Year ended March 31, 2025
Ratio of shareholders' equity (%)	48.0	45.8	47.3	49.7	56.0
Ratio of shareholders' equity ratio at market value (%)	27.2	21.4	24.2	37.9	34.2
Ratio of cash flows to interest- bearing debt (times)	-	-	5.3	0.6	1.1
Interest coverage ratio (times)	-	-	7.4	18.0	23.1

Ratio of shareholders' equity: Shareholders' equity / Total assets

Ratio of shareholders' equity ratio at market value: Market capitalization / Total assets

Ratio of cash flows to interest-bearing debt: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

Note 1: All of the above indicators are calculated using consolidated financial figures.

Note 2: Market capitalization is calculated using the Company's total shares outstanding excluding treasury shares.

Note 3: Cash flows from operating activities are used for calculations.

Note 4: Interest-bearing debts cover all debts for which interest is paid among those that are included in the consolidated balance sheet.

(4) Outlook for the fiscal year ending March 31, 2026

For Wave 2 in the “Transformative Value Evolution (TVE)” medium-term management plan from FY2025 to FY2030, the Company will strive not only to realize a growth “Leap,” but also to further improve earnings. Under these circumstances, the Group’s consolidated forecast for the next fiscal year is as follows.

(Unit: Million yen)

	Outlook for the next period (Fiscal year ending March 31, 2026)	Results for the current period (Fiscal year ended March 31, 2025)	Percentage change from current period to next period
Net sales	257,000	285,394	(9.9%)
Operating income	9,000	9,625	(6.5%)
Ordinary income	10,000	10,768	(7.1%)
Net income attributable to owners of parent	8,000	11,310	(29.3%)

(Note 1) The main exchange rates as the premise for the above business forecast are 145 yen per US dollar, 7.5 yen per Mexican peso, and 20 yen per Chinese yuan.

(Note 2) The above business forecast was calculated based on certain premises that the Company judged reasonable as of now. Actual results, etc., may differ materially from this forecast due to a variety of factors.

(5) Basic policy regarding profit distribution and dividends for fiscal year 2024 and 2025

As the Company’s basic policy on profit distribution, we have adopted Dividend on Equity Ratio (DOE) as a main financial indicator for dividends and, simultaneously, we have taken a positive stance on shareholder returns by taking factors, including cash flows and the maintenance of medium-to long-term sound financial foundation, into account comprehensively. Accordingly, the current medium-term management plan, for which FY2024 is the final year, has set a DOE of 4% as the target.

The Articles of Incorporation stipulate that the Company may distribute dividends of surplus subject to a resolution by the Board of Directors, and we make it a principle to distribute dividends twice a year with interim and year-end dividends.

The year-end dividend for FY2024 was set at 51.9 yen per common share by a resolution at the meeting of the Board of Directors held today. As a result, when including the interim dividend of 51.9 yen per share that has already been paid, the annual dividend for the fiscal year under review will be 103.8 yen.

Dividends for the fiscal year ending March 31, 2026, are currently under consideration in the process of implementing Wave 2 in the new medium-term management plan, which will start in FY2025.

2. Basic Stance on Selecting Accounting Standards

The Group’s policy is to prepare consolidated financial statements using Japanese standards in the near term, taking into account the comparability of consolidated financial statements between periods and between companies.

The Group will respond appropriately to the adoption of IFRS, taking into account conditions in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated balance sheet

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Assets		
Current assets		
Cash and deposits	39,185	43,680
Notes receivable - trade	4,852	3,969
Accounts receivable - trade	41,838	40,397
Merchandise and finished goods	2,627	1,981
Work in process	1,282	1,505
Raw materials and supplies	15,453	15,394
Other	9,096	7,149
Allowance for doubtful accounts	(1,399)	(1,291)
Total current assets	112,937	112,786
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,181	9,702
Machinery, equipment and vehicles, net	11,263	11,560
Land	6,983	6,621
Construction in progress	2,247	2,673
Other, net	5,201	5,023
Total property, plant and equipment	35,877	35,581
Intangible assets		
Other	1,403	1,374
Total intangible assets	1,403	1,374
Investments and other assets		
Investment securities	12,415	6,459
Long-term loans receivable	4	12
Deferred tax assets	6,566	5,447
Retirement benefit assets	1,822	1,813
Other	10,306	8,898
Allowance for doubtful accounts	(527)	(417)
Total investments and other assets	30,588	22,215
Total non-current assets	67,869	59,171
Total assets	180,806	171,957

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	41,214	34,789
Short-term borrowings	11,159	7,102
Lease obligations	863	799
Income taxes payable	1,633	1,555
Accrued expenses	12,110	10,089
Provision for bonuses for directors (and other officers)	60	60
Provision for loss on litigation	339	381
Asset retirement obligations	0	-
Other	7,936	7,274
Total current liabilities	75,318	62,052
Non-current liabilities		
Bonds payable	-	4,011
Lease obligations	2,816	2,604
Deferred tax liabilities	2,842	1,671
Provision for share-based remuneration	334	440
Retirement benefit liability	3,030	2,887
Asset retirement obligations	37	14
Other	127	89
Total non-current liabilities	9,189	11,720
Total liabilities	84,507	73,772
Net assets		
Shareholders' equity		
Share capital	9,040	9,040
Capital surplus	8,713	7,907
Retained earnings	53,277	61,185
Treasury shares	(1,368)	(1,366)
Total shareholders' equity	69,662	76,767
Other comprehensive income		
Valuation difference on available-for-sale securities	1,879	592
Foreign currency translation adjustment	17,958	18,763
Remeasurements of defined benefit plans	275	150
Total other comprehensive income	20,113	19,506
Share acquisition rights	-	6
Non-controlling interests	6,522	1,905
Total net assets	96,298	98,185
Total liabilities and net assets	180,806	171,957

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

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 through March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025)
Net sales	292,947	285,394
Cost of sales	264,537	255,630
Gross profit	28,410	29,763
Selling, general and administrative expenses		
Employees' salaries and benefits	6,808	6,465
Provision for bonuses for directors (and other officers)	60	60
Retirement benefit costs	131	165
Shipping expenses	2,909	2,875
Depreciation	772	994
Provision of allowance for doubtful accounts	1,303	(61)
Other	9,220	9,640
Total selling, general and administrative expenses	21,204	20,138
Operating income	7,205	9,625
Non-operating income		
Interest income	820	868
Dividend income	226	512
Share of profit of entities accounted for using equity method	1,079	392
Foreign exchange gains	88	-
Miscellaneous income	315	373
Total non-operating income	2,529	2,146
Non-operating expenses		
Interest expenses	834	401
Foreign exchange losses	-	508
Miscellaneous expenditures	145	92
Total non-operating expenses	979	1,003
Ordinary income	8,755	10,768
Extraordinary income		
Gain on sale of non-current assets	46	3,416
Gain on sale of investment securities	12	59
Gain on sale of shares of subsidiaries and associates	-	2,010
Gain on liquidation of subsidiaries	-	845
Total extraordinary income	58	6,333
Extraordinary losses		
Loss on disposal of non-current assets	49	167
Impairment losses	317	383
Business restructuring and improvement expenses	650	674
Loss on liquidation of subsidiaries	148	-
Loss on valuation of investments in capital of subsidiaries and associates	-	356
Loss on sales of investments in capital of subsidiaries and associates	-	16
Total extraordinary losses	1,165	1,598
Net income before income taxes	7,648	15,503
Income taxes - current	2,629	3,449
Income taxes - deferred	(856)	1,179
Total income taxes	1,773	4,628
Net income	5,875	10,874
Profit (loss) attributable to non-controlling interests	453	(435)
Net income attributable to owners of parent	5,422	11,310

Consolidated statement of comprehensive income

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 through March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025)
Net income	5,875	10,874
Other comprehensive income		
Valuation difference on available-for-sale securities	1,249	(1,287)
Foreign currency translation adjustment	4,711	385
Remeasurements of defined benefit plans	321	(125)
Share of other comprehensive income of associates accounted for under the equity method	1,095	416
Total other comprehensive income	7,378	(611)
Comprehensive income	13,254	10,263
(Breakdown)		
Comprehensive income attributable to owners of parent	12,229	10,703
Comprehensive income attributable to non-controlling interests	1,025	(439)

(3) Consolidated statement of changes in shareholders' equity, etc.

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

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,040	8,713	50,734	(1,426)	67,061
Changes during period					
Dividends of surplus			(2,879)		(2,879)
Net income attributable to owners of parent			5,422		5,422
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				57	57
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,542	57	2,600
Balance at end of period	9,040	8,713	53,277	(1,368)	69,662

	Other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other comprehensive income			
Balance at beginning of period	630	12,723	(46)	13,307	-	6,111	86,481
Changes during period							
Dividends of surplus							(2,879)
Net income attributable to owners of parent							5,422
Purchase of treasury shares							(0)
Disposal of treasury shares							57
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in items other than shareholders' equity	1,249	5,234	321	6,806	-	410	7,216
Total changes during period	1,249	5,234	321	6,806	-	410	9,817
Balance at end of period	1,879	17,958	275	20,113	-	6,522	96,298

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

(Unit: Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,040	8,713	53,277	(1,368)	69,662
Changes during period					
Dividends of surplus			(3,402)		(3,402)
Net income attributable to owners of parent			11,310		11,310
Purchase of treasury shares					-
Disposal of treasury shares				2	2
Change in ownership interest of parent due to transactions with non-controlling interests		(805)			(805)
Net changes in items other than shareholders' equity					
Total changes during period	-	(805)	7,908	2	7,104
Balance at end of period	9,040	7,907	61,185	(1,366)	76,767

	Other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other comprehensive income			
Balance at beginning of period	1,879	17,958	275	20,113	-	6,522	96,298
Changes during period							
Dividends of surplus							(3,402)
Net income attributable to owners of parent							11,310
Purchase of treasury shares							-
Disposal of treasury shares							2
Change in ownership interest of parent due to transactions with non-controlling interests							(805)
Net changes in items other than shareholders' equity	(1,287)	805	(125)	(607)	6	(4,616)	(5,218)
Total changes during period	(1,287)	805	(125)	(607)	6	(4,616)	1,886
Balance at end of period	592	18,763	150	19,506	6	1,905	98,185

(4) Consolidated statements of cash flows

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 through March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025)
Cash flows from operating activities		
Net income before income taxes	7,648	15,503
Depreciation	5,748	5,685
Impairment losses	317	383
Increase (decrease) in allowance for doubtful accounts	1,276	(167)
Interest and dividend income	(1,046)	(1,380)
Interest expenses	834	401
Share of loss (profit) of entities accounted for using equity method	(1,079)	(392)
Loss (gain) on disposal of non-current assets	2	(3,221)
Loss (gain) on sale of investment securities	(12)	(59)
Decrease (increase) in trade receivables	2,021	4,329
Decrease (increase) in inventories	(199)	1,417
Increase (decrease) in trade payables	(930)	(8,165)
Loss (gain) on sale of shares of subsidiaries and associates	-	(2,010)
Other	5,046	(1,245)
Subtotal	19,628	11,075
Interest and dividends received	1,526	2,828
Interest paid	(1,022)	(421)
Income taxes paid	(1,685)	(3,718)
Cash flows from operating activities	18,447	9,764
Cash flows from investing activities		
Payments into time deposits	-	(0)
Proceeds from maturity of time deposits	1,287	-
Acquisition of property, plant and equipment	(3,647)	(4,460)
Proceeds from sales of property, plant and equipment	177	4,099
Acquisition of investment securities	(25)	(25)
Proceeds from sale of investment securities	736	96
Purchase of shares of subsidiaries and associates	(66)	-
Proceeds from sale of shares of subsidiaries and associates	-	3,558
Proceeds from sale of investments in capital of subsidiaries and associates	-	908
Other	(545)	(215)
Cash flows from investing activities	(2,083)	3,962
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(7,835)	1,500
Repayments of long-term borrowings	(1,000)	(5,500)
Proceeds from issuance of bonds	-	4,012
Decrease (increase) in treasury shares	57	-
Dividends paid to non-controlling interests	(614)	(1,131)
Dividend paid	(2,874)	(3,416)
Repayments to non-controlling shareholders	-	(3,850)
Other	(1,102)	(906)
Cash flows from financing activities	(13,370)	(9,294)
Effect of exchange rate change on cash and cash equivalents	3,270	33
Net increase (decrease) in cash and cash equivalents	6,263	4,465
Cash and cash equivalents at beginning of period	32,863	39,127
Cash and cash equivalents at end of period	39,127	43,593

(5) Notes to the consolidated financial statements

(Notes regarding going concern assumptions)

Not applicable.

(Changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes,” etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the “2022 Revised Accounting Standard”), etc., has been applied from the beginning of the current fiscal year.

Regarding the revision to the categories in which current income taxes should be recorded (taxation on other comprehensive income), the Company follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso to Paragraph 65-2 (2) of the “Implementation Guidance on Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the “2022 Revised Implementation Guidance”). These changes in accounting policies have no impact on the consolidated financial statements.

In addition, with regard to revisions related to the treatment in consolidated financial statements when gains or losses arising from the sale of subsidiary shares, etc., among consolidated companies are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the current fiscal year. These changes in accounting policies have been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been prepared on a retrospective basis. These changes in accounting policies have no impact on the consolidated financial statements for the previous fiscal year.

(Application of “Practical Solution on Accounting for and Disclosure of Current Taxes Related to the Global Minimum Tax Rules”)

The Company has adopted “Practical Solution on Accounting for Disclosure of Current Taxes Related to the Global Minimum Tax Rules” (ASBJ PITF No. 46 on March 22, 2024), etc., since the beginning of the fiscal year under review. This change in accounting policies has no impact on the consolidated financial statements.

(Segment Information, etc.)

(Segment information)

1. Overview of reportable segments

The Group is able to obtain delineated financial data on its reportable segments from its structural units. Accordingly, its segments are subject to regular examination in order to assist decision-making on allocation of managerial resources and evaluation of business performance by the Board of Directors.

The Group primarily manufactures and sells automobile seats and seat parts, and each company devises its own business strategies and carries out business activities.

Accordingly, the Group is made up of segments for each company. Since business segments with generally similar economic characteristics are combined, the six reportable segments are Japan, North America, Latin America, Europe, China, and Southeast Asia.

Of the reportable segments, the Japan segment also rents real estate, in addition to the auto seats and seat parts business.

2. Method of computing sales, profit (loss), assets, and other items by reportable segment

The accounting treatment method for the reportable segments is generally the same as that described in "Basis for Presenting Consolidated Financial Statements."

Segment profit is based on operating income, and pricing on intersegment internal revenue and transfers is determined based on market conditions.

3. Sales, profit (loss), assets, and other items by reportable segment

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

(Unit: Millions of yen)

	Reportable Segment							Adjustments (Note) 1	Total shown in consolidated financial statements (Note 2)
	Japan	North America	Latin America	Europe	China	Southeast Asia	Total		
Net sales									
Revenue from contracts with customers	125,093	54,587	91,175	0	19,066	3,025	292,947	-	292,947
Sales to outside customers	125,093	54,587	91,175	0	19,066	3,025	292,947	-	292,947
Intersegment sales or transfers	4,440	1,046	2,865	998	12,166	577	22,096	(22,096)	-
Total	129,533	55,634	94,040	999	31,232	3,603	315,044	(22,096)	292,947
Segment profit (loss)	3,446	(1,023)	3,985	174	601	38	7,223	(17)	7,205
Segment assets	120,349	43,841	49,894	3,335	26,539	4,947	248,907	(68,101)	180,806
Other items									
Depreciation	1,903	739	1,659	5	1,221	219	5,748	-	5,748
Investment in equity-method affiliates	3,641	4,425	-	-	2,493	-	10,560	-	10,560
Increase in property, plant and equipment and intangible assets	2,792	191	733	-	789	-	4,507	(35)	4,471

Notes: 1. Adjustment is mainly intersegment transaction eliminations.

(1) Segment profit (loss) adjustment is mainly intersegment transaction eliminations.

(2) Segment asset adjustment is mainly elimination of intersegment liabilities.

2. Segment profit (loss) is adjusted for operating income noted in the consolidated statements of income.

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

(Unit: Millions of yen)

	Reportable Segment							Adjustments (Note) 1	Total shown in consolidated financial statements (Note 2)
	Japan	North America	Latin America	Europe	China	Southeast Asia	Total		
Net sales									
Revenue from contracts with customers	115,502	43,849	103,711	14	18,214	4,101	285,394	-	285,394
Sales to outside customers	115,502	43,849	103,711	14	18,214	4,101	285,394	-	285,394
Intersegment sales or transfers	6,773	251	1,587	-	11,246	1,498	21,357	(21,357)	-
Total	122,276	44,100	105,299	14	29,460	5,600	306,752	(21,357)	285,394
Segment profit (loss)	6,797	(65)	3,018	(61)	(602)	577	9,663	(38)	9,625
Segment assets	123,518	37,258	51,658	-	22,212	5,874	240,522	(68,564)	171,957
Other items									
Depreciation	2,026	713	1,662	9	1,094	178	5,685	-	5,685
Investment in equity-method affiliates	4,799	-	-	-	2,269	-	7,069	-	7,069
Increase in property, plant and equipment and intangible assets	2,240	748	1,301	-	964	136	5,391	(120)	5,270

Notes: 1. Adjustment is mainly intersegment transaction eliminations.

(1) Segment profit (loss) adjustment is mainly intersegment transaction eliminations.

(2) Segment asset adjustment is mainly elimination of intersegment liabilities.

2. Segment profit (loss) is adjusted for operating income noted in the consolidated statements of income.

(Earnings per share)

Fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)		Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	
Net assets per share	2,618.84	Net assets per share	2,808.25
Net income per share	158.25	Net income per share	329.93
Diluted net income per share	-	Diluted net income per share	325.90

(Note) 1. The Company has introduced a Stock Benefit Trust for Directors and an Employee Stock Ownership Trust. The Company shares remaining in the trust that are posted as treasury shares in shareholders' equity are included in treasury shares to be deducted from the calculation of the average number of shares outstanding during the period for the purpose of calculating net income per share, and in calculating net assets per share, are included in the number of treasury shares to be deducted from the total number of shares issued at the end of the fiscal year. The average number of shares outstanding during the period related to the trust are shown below.

- Stock Benefit Trust for Directors

Average number of shares outstanding during the period

Fiscal year ended March 31, 2024: 68,553 shares

Fiscal year ended March 31, 2025: 61,400 shares

Number of shares at fiscal year-end

Fiscal year ended March 31, 2024: 61,400 shares

Fiscal year ended March 31, 2025: 61,400 shares

- Employee Stock Ownership Trust

Average number of shares outstanding during the period

Fiscal year ended March 31, 2024: 277,428 shares

Fiscal year ended March 31, 2025: 270,067 shares

Number of shares at fiscal year-end

Fiscal year ended March 31, 2024: 270,698 shares

Fiscal year ended March 31, 2025: 269,298 shares

2. The basis for calculating net income per share and diluted net income per share is shown below.

	Fiscal year ended March 31, 2024 (April 1, 2023 through March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025)
Net income per share		
Net income attributable to owners of parent (millions of yen)	5,422	11,310
Amount not belonging to common shareholders (millions of yen)	-	-
Net income attributable to owners of parent related to common shares (millions of yen)	5,422	11,310
Average common shares outstanding (thousands of shares)	34,267	34,281
Diluted net income per share		
Adjustments to net income attributable to owners of parent (millions of yen)	-	-
Increase in the number of common shares (thousands of shares)	-	424
(Of which, share acquisition rights (thousand of shares))	-	(254)
(Of which, convertible-bond-type bonds with share acquisition rights (thousand of shares))	-	(169)
Overview of diluted shares that were not included in the calculation of diluted net income per share because they are anti-dilutive.	-	-

(Significant subsequent events)

Not applicable.

4. Non-Consolidated Financial Statements

(1) Balance sheet

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Assets		
Current assets		
Cash and deposits	7,780	15,810
Electronically recorded monetary claims - operating	3,337	2,613
Accounts receivable - trade	19,338	20,043
Merchandise and finished goods	324	267
Work in process	1,817	1,231
Raw materials and supplies	3,660	2,883
Advance payments - trade	53	-
Short-term loans receivable	7,761	7,963
Other	2,497	2,155
Allowance for doubtful accounts	(3,758)	(4,178)
Total current assets	42,810	48,791
Non-current assets		
Property, plant and equipment		
Buildings, net	3,327	3,217
Structures, net	103	98
Machinery and equipment, net	1,713	1,730
Vehicles, net	0	0
Tools, instruments and fixtures, net	459	475
Land	3,544	3,359
Construction in progress	36	17
Total property, plant and equipment	9,185	8,898
Intangible assets		
Software	472	395
Other	16	16
Total intangible assets	489	411
Investments and other assets		
Investment securities	7,693	5,827
Shares of subsidiaries and associates	24,819	24,819
Investments in capital	0	0
Investments in capital of subsidiaries and associates	8,381	6,790
Long-term loans receivable to employees	2	10
Long-term prepaid expenses	7	54
Prepaid pension costs	510	577
Deferred tax assets	-	432
Other	475	291
Allowance for doubtful accounts	(4)	(4)
Total investments and other assets	41,885	38,800
Total non-current assets	51,559	48,110
Total assets	94,370	96,901

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Liabilities		
Current liabilities		
Notes payable - trade	444	31
Electronically recorded monetary obligations - operating	2,773	1,745
Accounts payable - trade	16,762	13,965
Short-term borrowings	5,587	7,030
Current portion of long-term borrowings	5,500	-
Short-term borrowings from subsidiaries and associates	555	1,308
Accounts payable - other	462	448
Accrued expenses	3,395	2,891
Income taxes payable	159	703
Deposits received	139	126
Notes payable - facilities	243	84
Unearned revenue	53	9
Provision for bonuses for directors (and other officers)	60	60
Asset retirement obligations	0	-
Other	25	570
Total current liabilities	36,164	28,976
Non-current liabilities		
Bonds payable	-	4,011
Deferred tax liabilities	502	-
Provision for share-based remuneration	334	440
Asset retirement obligations	16	14
Other	27	25
Total non-current liabilities	880	4,492
Total liabilities	37,044	33,469
Net assets		
Shareholders' equity		
Share capital	9,040	9,040
Capital surplus		
Capital reserves	8,592	8,592
Legal capital surplus	12	12
Total capital surplus	8,604	8,604
Retained earnings		
Legal retained earnings	480	480
Other retained earnings		
Reserve for tax purpose reduction entry	19	19
General reserve	15,000	15,000
Retained earnings brought forward	23,670	31,055
Total retained earnings	39,170	46,555
Treasury shares	(1,368)	(1,366)
Total shareholders' equity	55,447	62,834
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,878	591
Total valuation and translation adjustments	1,878	591
Share acquisition rights	-	6
Total net assets	57,325	63,432
Total liabilities and net assets	94,370	96,901

(2) Statement of income

(Unit: Millions of yen)

	Fiscal year ended March 31, 2024 (April 1, 2023 through March 31, 2024)	Fiscal year ended March 31, 2025 (April 1, 2024 through March 31, 2025)
Net sales	114,431	107,272
Cost of sales		
Starting balance of product inventory	308	348
Product manufacturing costs	105,645	94,740
Total	105,954	95,088
Ending balance of product inventory	348	294
Product cost of sales	105,606	94,793
Gross profit	8,825	12,479
Selling, general and administrative expenses		
Employees' salaries and benefits	2,046	1,932
Directors' compensation	250	240
Bonuses	519	471
Provision for bonuses for directors (and other officers)	60	60
Retirement benefit costs	50	123
Shipping expenses	1,226	1,132
Research and development expenses	791	977
Provision of allowance for doubtful accounts	(48)	490
Depreciation	222	335
Other	2,175	2,183
Total selling, general and administrative expenses	7,294	7,947
Operating income	1,530	4,531
Non-operating income		
Interest income	362	515
Dividend income	5,783	4,831
Reversal of allowance for doubtful accounts	-	46
Miscellaneous income	98	118
Total non-operating income	6,245	5,511
Non-operating expenses		
Interest expenses	737	316
Foreign exchange losses	383	88
Provision of allowance for doubtful accounts	446	-
Miscellaneous expenditures	40	50
Total non-operating expenses	1,607	454
Ordinary income	6,167	9,588
Extraordinary income		
Gain on sale of non-current assets	2	660
Gain on sale of investment securities	12	59
Gain on liquidation of subsidiaries	-	1,792
Total extraordinary income	15	2,512
Extraordinary losses		
Loss on disposal of non-current assets	9	131
Business restructuring and improvement expenses	105	153
Loss on valuation of investments in capital of subsidiaries and associates	-	333
Total extraordinary losses	114	617
Net income before income taxes	6,068	11,483
Income taxes - current	598	1,066
Income taxes - deferred	(432)	(370)
Total income taxes	165	696
Net income	5,902	10,787

(3) Statement of changes in shareholders' equity

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

(Unit: Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings				
		Capital reserves	Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for tax purpose reduction entry	General reserve	Retained earnings brought forward	
Balance at beginning of period	9,040	8,592	12	8,604	480	19	15,000	20,647	36,148
Changes during period									
Dividends of surplus								(2,879)	(2,879)
Net income								5,902	5,902
Reversal of reserve for tax purpose reduction entry						(0)		0	-
Purchase of treasury shares									
Disposal of treasury shares									
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	-	(0)	-	3,022	3,022
Balance at end of period	9,040	8,592	12	8,604	480	19	15,000	23,670	39,170

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,426)	52,366	629	629	-	52,996
Changes during period						
Dividends of surplus		(2,879)				(2,879)
Net income		5,902				5,902
Reversal of reserve for tax purpose reduction entry		-				-
Purchase of treasury shares	(0)	(0)				(0)
Disposal of treasury shares	57	57				57
Net changes in items other than shareholders' equity			1,248	1,248	-	1,248
Total changes during period	57	3,080	1,248	1,248	-	4,329
Balance at end of period	(1,368)	55,447	1,878	1,878	-	57,325

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

(Unit: Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings				
		Capital reserves	Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
						Reserve for tax purpose reduction entry	General reserve	Retained earnings brought forward	
Balance at beginning of period	9,040	8,592	12	8,604	480	19	15,000	23,670	39,170
Changes during period									
Dividends of surplus								(3,402)	(3,402)
Net income								10,787	10,787
Reversal of reserve for tax purpose reduction entry						(0)		0	-
Purchase of treasury shares									
Disposal of treasury shares									
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	-	(0)	-	7,385	7,384
Balance at end of period	9,040	8,592	12	8,604	480	19	15,000	31,055	46,555

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(1,368)	55,447	1,878	1,878	-	57,325
Changes during period						
Dividends of surplus		(3,402)				(3,402)
Net income		10,787				10,787
Reversal of reserve for tax purpose reduction entry		-				-
Purchase of treasury shares		-				-
Disposal of treasury shares	2	2				2
Net changes in items other than shareholders' equity			(1,286)	(1,286)	6	(1,280)
Total changes during period	2	7,387	(1,286)	(1,286)	6	6,106
Balance at end of period	(1,366)	62,834	591	591	6	63,432