



Consolidated Financial Highlights for FY2025 [Japanese GAAP]

May 15, 2026

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
 Contact person: (Title) Representative Director, Executive Managing Officer (Name) Atsushi Komatsu (TEL) 0428-33-1917
 Scheduled date of the annual general meeting of shareholders: June 29, 2026
 Scheduled date of start of dividend payment: June 8, 2026
 Scheduled date of submission of securities report: June 26, 2026
 Additional materials to financial results : Yes
 Holding of the financial results briefing session : Yes (for securities analysts and institutional investors)
 (Amounts less than one million yen are rounded down)

1. Consolidated Financial Results for FY2025 (April 1, 2025 through March 31, 2026)

(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 | % |
| FY2025 | 269,009 | (5.7) | 11,604 | 20.6 | 13,810 | 28.2 | 9,297 | (17.8) |
| FY2024 | 285,394 | (2.6) | 9,625 | 33.6 | 10,768 | 23.0 | 11,310 | 108.6 |
| (Note) Comprehensive income | | | FY2025 12,572 million yen | [22.5%] | | | | |
| | | | FY2024 10,263 million yen | [(22.6%)] | | | | |

| | 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 | % | % | % |
| FY2025 | 271.03 | 233.49 | 9.2 | 8.1 | 4.3 |
| FY2024 | 329.93 | 325.90 | 12.2 | 6.1 | 3.4 |

(Reference) Equity in earnings (losses) of affiliated companies FY2025 438 million yen
 FY2024 392 million yen

(2) Consolidated Financial Positions

| | Total assets | Net assets | Shareholder's equity ratio | Net assets per share |
|--------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | yen |
| FY2025 | 170,372 | 105,904 | 61.6 | 3,055.91 |
| FY2024 | 171,957 | 98,185 | 56.0 | 2,808.25 |

(Reference) Equity capital FY2025 104,880 million yen
 FY2024 96,273 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 |
| FY2025 | 13,583 | (3,588) | (12,369) | 44,577 |
| FY2024 | 9,764 | 3,962 | (9,294) | 43,593 |

2. Dividends

| | Annual cash dividends per share | | | | | Total dividends | Dividend payout ratio (consolidated) | Ratio of dividends to net assets (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 | % | % |
| FY2024 | - | 51.90 | - | 51.90 | 103.80 | 3,592 | 31.5 | 3.8 |
| FY2025 | - | 51.90 | - | 53.10 | 105.00 | 3,634 | 38.7 | 3.6 |
| FY2026 (Forecast) | - | 57.50 | - | 57.50 | 115.00 | | 45.9 | |

3. Consolidated Forecast for FY2026 (April 1, 2026, through March 31, 2027)

(% 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 | 270,000 | 0.4 | 12,000 | 3.4 | 13,000 | (5.9) | 8,600 | (7.5) | 250.58 |

* Notes

- (1) Significant changes in the scope of consolidation during the period : Yes
Exclusion: 2 companies (company name) TACLE Guangzhou Automotive Seat Co., Ltd. and Lear Dongshi TACHI-S Automotive Seating (Xiangyang) Co., Ltd.
(Note) During the fiscal year under review, the Company transferred part of its equity interests in TACLE Guangzhou Automotive Seat Co., Ltd. and Lear Dongshi TACHI-S Automotive Seating (Xiangyang) Co., Ltd. As a result, these companies were reclassified from consolidated subsidiaries to entities accounted for using the equity method.
- (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 : No
(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) | FY2025 | 35,242,846 shares | FY2024 | 35,242,846 shares |
| (ii) Number of treasury shares at the end of the period | FY2025 | 922,317 shares | FY2024 | 960,417 shares |
| (iii) Average number of shares outstanding during the period | FY2025 | 34,304,660 shares | FY2024 | 34,281,660 shares |

(Note) Outline of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for FY2025 (April 1, 2025 through March 31, 2026)

(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 | % |
| FY2025 | 99,809 | (7.0) | 5,202 | 14.8 | 14,507 | 51.3 | 13,312 | 23.4 |
| FY2024 | 107,272 | (6.3) | 4,531 | 196.1 | 9,588 | 55.5 | 10,787 | 82.8 |

| | Net income per share | Diluted net income per share |
|--------|----------------------|------------------------------|
| | yen | yen |
| FY2025 | 388.06 | 334.31 |
| FY2024 | 314.67 | 310.82 |

(2) Non-consolidated financial position

| | Total assets | Net assets | Shareholder's equity ratio | Net assets per share |
|--------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | yen |
| FY2025 | 101,335 | 73,506 | 72.5 | 2,141.58 |
| FY2024 | 96,901 | 63,432 | 65.5 | 1,850.11 |

(Reference) Equity capital FY2025 73,500 million yen
FY2024 63,426 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, 2027" 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, supported by strong corporate earnings. Income and employment conditions also improved through wage increases and measures to address labor shortages, despite continued inflation driven by the weaker yen and higher raw material and energy prices. Globally, the business environment has become increasingly uncertain due to factors such as the unpredictable economic and trade policies of the Trump administration in the United States, the slowdown of the Chinese economy, and rising geopolitical tensions caused by conflicts spreading beyond Ukraine to multiple regions. In the current environment, surging crude oil prices and disruptions to petroleum-related supply chains resulting from the conflict involving Iran have further increased uncertainty.

In the automotive industry, in which the Group operates, structural transformation toward electrification and intelligentization technologies continues to represent a medium- to long-term trend. Meanwhile, the pace of transition to new-energy vehicles varies by region due to differences in market demand and policy changes in individual countries. Consequently, automotive companies are becoming more selective in their investment allocation and are reviewing their model strategies and production systems. Meanwhile, Chinese automotive companies are strengthening their global presence. To maintain and enhance competitiveness, Japanese automakers and parts suppliers are being required to operate more quickly and strengthen cost competitiveness in order to compete with their Chinese counterparts.

The fiscal year ended March 31, 2026 was the first year of Wave 2 2027, the second phase of the medium-term management plan “Transformative Value Evolution” (TVE). During the year, the Group worked to sustain and further improve earnings growth achieved during TVE Wave 0/1, while also advancing growth strategies in the three “Shinkhas” (progress domains) aimed at increasing net sales to the 400 billion yen level by FY2030. As part of the “Deepening” initiative in the automotive seat business, which is the Group’s core business, we agreed on April 10, 2026 to acquire shares in the automotive seat and interior business operated by TOYO H&I Co., Ltd., with the aim of expanding our business domains. Moreover, we made progress in acquiring new business, including securing new customers in India. As part of the “Innovating” initiative aimed at creating new value through automotive seats, we exhibited the “Smart Shell” concept model at Automotive Engineering Exposition 2025. The model, which delivers a new user experience through private space and immersive comfort, was well received. Under the “Renewing” initiative, which aims to create businesses capable of becoming comparable in scale to the automotive seat business, we are narrowing down prospective areas and exploring opportunities for entry into new fields. Other major business achievements included the launch of seat production in Japan for the N-ONE e: of Honda Motor Co., Ltd., and in China for the IM LS9 of SAIC MOTOR. In parallel, production of seat covering and frame parts has also been launched successfully in related regions.

In this operating environment, net sales decreased 5.7% over the previous fiscal year to 269,009 million yen, but operating income was 11,604 million yen (up 20.6% year on year), ordinary income was 13,810 million yen (up 28.2% year on year), and net income attributable to owners of parent was 9,297 million yen (down 17.8% year on year).

Earnings in the business segments are as follows.

(i) Japan

Net sales totaled 108,559 million yen (down 6.0% from the previous fiscal year), and operating income was 6,153 million yen (down 9.5% from the previous fiscal year).

(ii) North America

Net sales totaled 41,449 million yen (down 5.5% from the previous fiscal year), but operating income was 510 million yen (compared with an operating loss of 65 million yen in the previous fiscal year).

(iii) Latin America

Net sales totaled 103,744 million yen (up 0.0% from the previous fiscal year), but operating income was 2,342 million yen (down 22.4% from the previous fiscal year).

(iv) China

Net sales totaled 8,999 million yen (down 50.6% from the previous fiscal year), but operating income was 1,618 million yen (compared with an operating loss of 602 million yen in the previous fiscal year).

(v) Southeast Asia

Net sales totaled 6,256 million yen (up 52.5% from the previous fiscal year), and operating income was 1,031 million yen (up 78.7% from 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 1,584 million yen from the end of the previous fiscal year to 170,372 million yen. This was mainly due to a decrease of 2,355 million yen in raw materials and supplies, a decrease of 2,554 million yen in property, plant and equipment and a decrease of 2,501 million yen in investment securities despite an increase of 2,004 million yen in cash and deposits and an increase of 3,132 million yen in accounts receivable - trade.

Total liabilities decreased by 9,303 million yen from the end of the previous fiscal year to 64,468 million yen. This was mainly caused by a decrease of 1,626 million yen in notes and accounts payable - trade and a decrease of 7,056 million yen in short-term borrowings.

Net assets increased by 7,718 million yen from the end of the previous fiscal year to 105,904 million yen. This was mainly caused by increases of 5,704 million yen in retained earnings and 2,304 million yen in foreign currency translation adjustment.

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

Cash and cash equivalents at the end of the fiscal year under review (hereinafter referred to as "funds") were 44,577 million yen, up 984 million yen (2.3%) from the end of the previous fiscal year.

(Cash flows from operating activities)

Funds obtained from operating activities totaled 13,583 million yen, an increase of 3,819 million yen (39.1%) compared with the previous fiscal year. This was mainly due to increases of 7,233 million yen in trade payables and 3,219 million yen in loss on disposal of fixed assets, despite a decrease of 7,215 million yen in trade receivables.

(Cash flows from investing activities)

Funds used in investing activities totaled 3,588 million yen, an increase of 7,550 million yen compared with the previous fiscal year (3,962 million yen provided in the previous fiscal year). This was primarily due to a decrease of 4,012 million yen in proceeds from the sale of property, plant and equipment.

(Cash flows from financing activities)

Funds used in financing activities totaled 12,369 million yen, an increase of 3,075 million yen (33.1%) compared with the previous fiscal year. This was mainly due to a decrease of 9,793 million yen in short-term borrowings due to an increase in repayments of short-term borrowings compared with the previous fiscal year.

(Reference) Changes in cash flow-related financial indicators

| | Fiscal year ended March 31, 2022 | Fiscal year ended March 31, 2023 | Fiscal year ended March 31, 2024 | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|---|--|--|--|--|
| Ratio of shareholders' equity (%) | 45.8 | 47.3 | 49.7 | 56.0 | 61.6 |
| Ratio of shareholders' equity ratio at market value (%) | 21.4 | 24.2 | 37.9 | 34.2 | 40.9 |
| Ratio of cash flows to interest- bearing debt (times) | - | 5.3 | 0.6 | 1.1 | 0.5 |
| Interest coverage ratio (times) | - | 7.4 | 18.0 | 23.1 | 337.5 |

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, 2027

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, 2027) | Results for the current period (Fiscal year ended March 31, 2026) | Percentage change from current period to next period |
|--|---|---|--|
| Net sales | 270,000 | 269,009 | 0.4% |
| Operating income | 12,000 | 11,604 | 3.4% |
| Ordinary income | 13,000 | 13,810 | (5.9)% |
| Net income attributable to owners of parent | 8,600 | 9,297 | (7.5)% |

(Note 1) The main exchange rates as the premise for the above business forecast are 152 yen per US dollar, 8.2 yen per Mexican peso, and 22 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.

(Note 3) The transaction described in the “Notice Regarding Acquisition of Shares Resulting in Change in Subsidiary and Change of Specified Subsidiary” announced on April 10, 2026, is not incorporated in this business forecast because the impact and other factors are currently under close examination. If any matters arise in the future that require disclosure, such as revisions to the business forecast, we will promptly disclose them.

(5) Basic policy regarding profit distribution and dividends for fiscal year 2025 and 2026

The Company aims to deepen its focus on delivering long-term profits to shareholders while pursuing sustainable growth. Under the Medium-term Management Plan “Transformative Value Evolution(TVE)” for fiscal years 2025 through 2027, the Company has set a minimum annual dividend of 103.8 yen per share (equivalent to a DOE of 4% based on the fiscal year ended March 2025) and targets a total payout ratio of 50% or higher to enable flexible capital measures and enhance dividend stability. This is to implement a flexible capital policy and enhance the stability of dividends regardless of economic conditions.

Year-end dividends for the fiscal year ended in March 2026 will be an ordinary dividend of 53.1 yen per share, as per a resolution by the Board of Directors made on this date. As a result, when including the interim dividend of 51.9 yen per share that has already been paid, annual dividends for this fiscal year will be 105 yen.

The Company plans to pay an ordinary dividend of 115yen per share for the fiscal year ending March 31, 2027, consisting of an interim dividend of 57.5yen and a year-end dividend of 57.5yen.

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, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 43,680 | 45,684 |
| Notes receivable - trade | 3,969 | 2,801 |
| Accounts receivable - trade | 40,397 | 43,530 |
| Securities | - | 8 |
| Merchandise and finished goods | 1,981 | 1,822 |
| Work in process | 1,505 | 1,230 |
| Raw materials and supplies | 15,394 | 13,038 |
| Other | 7,149 | 7,340 |
| Allowance for doubtful accounts | (1,291) | (1,220) |
| Total current assets | 112,786 | 114,236 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 9,702 | 9,398 |
| Machinery, equipment and vehicles, net | 11,560 | 11,316 |
| Land | 6,621 | 6,667 |
| Construction in progress | 2,673 | 1,638 |
| Other, net | 5,023 | 4,005 |
| Total property, plant and equipment | 35,581 | 33,026 |
| Intangible assets | | |
| Other | 1,374 | 1,094 |
| Total intangible assets | 1,374 | 1,094 |
| Investments and other assets | | |
| Investment securities | 6,459 | 3,958 |
| Long-term loans receivable | 12 | 9 |
| Deferred tax assets | 5,447 | 6,278 |
| Retirement benefit assets | 1,813 | 2,418 |
| Other | 8,898 | 9,630 |
| Allowance for doubtful accounts | (417) | (280) |
| Total investments and other assets | 22,215 | 22,015 |
| Total non-current assets | 59,171 | 56,136 |
| Total assets | 171,957 | 170,372 |

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 34,789 | 33,162 |
| Short-term borrowings | 7,102 | 46 |
| Lease obligations | 799 | 809 |
| Income taxes payable | 1,555 | 1,880 |
| Accrued expenses | 10,089 | 10,694 |
| Provision for bonuses for directors (and other officers) | 60 | 63 |
| Provision for loss on litigation | 381 | 408 |
| Other | 7,274 | 5,698 |
| Total current liabilities | 62,052 | 52,764 |
| Non-current liabilities | | |
| Bonds payable | 4,011 | 4,009 |
| Lease obligations | 2,604 | 1,561 |
| Deferred tax liabilities | 1,671 | 2,086 |
| Provision for share-based remuneration | 440 | 412 |
| Retirement benefit liability | 2,887 | 3,542 |
| Other | 104 | 92 |
| Total non-current liabilities | 11,720 | 11,704 |
| Total liabilities | 73,772 | 64,468 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 9,040 | 9,040 |
| Capital surplus | 7,907 | 7,907 |
| Retained earnings | 61,185 | 66,890 |
| Treasury shares | (1,366) | (1,305) |
| Total shareholders' equity | 76,767 | 82,533 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 592 | 884 |
| Foreign currency translation adjustment | 18,763 | 21,068 |
| Remeasurements of defined benefit plans | 150 | 394 |
| Total other comprehensive income | 19,506 | 22,347 |
| Share acquisition rights | 6 | 6 |
| Non-controlling interests | 1,905 | 1,017 |
| Total net assets | 98,185 | 105,904 |
| Total liabilities and net assets | 171,957 | 170,372 |

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

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) |
|--|---|---|
| Net sales | 285,394 | 269,009 |
| Cost of sales | 255,630 | 237,231 |
| Gross profit | 29,763 | 31,777 |
| Selling, general and administrative expenses | | |
| Employees' salaries and benefits | 6,465 | 6,142 |
| Provision for bonuses for directors (and other officers) | 60 | 63 |
| Retirement benefit expenses | 165 | 261 |
| Shipping expenses | 2,875 | 2,737 |
| Depreciation | 994 | 714 |
| Provision of allowance for doubtful accounts | (61) | (128) |
| Other | 9,640 | 10,382 |
| Total selling, general and administrative expenses | 20,138 | 20,172 |
| Operating income | 9,625 | 11,604 |
| Non-operating income | | |
| Interest income | 868 | 640 |
| Dividend income | 512 | 232 |
| Share of profit of entities accounted for using equity method | 392 | 438 |
| Foreign exchange gains | - | 706 |
| Miscellaneous income | 373 | 655 |
| Total non-operating income | 2,146 | 2,673 |
| Non-operating expenses | | |
| Interest expenses | 401 | 382 |
| Foreign exchange losses | 508 | - |
| Miscellaneous expenditures | 92 | 84 |
| Total non-operating expenses | 1,003 | 467 |
| Ordinary income | 10,768 | 13,810 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 3,416 | 49 |
| Gain on sale of investment securities | 59 | 507 |
| Gain on sales of investments in capital of subsidiaries and associates | - | 21 |
| Gain on sale of shares of subsidiaries and associates | 2,010 | - |
| Gain on liquidation of subsidiaries | 845 | - |
| Total extraordinary income | 6,333 | 578 |
| Extraordinary losses | | |
| Loss on disposal of non-current assets | 167 | 47 |
| Impairment losses | 383 | - |
| Business restructuring and improvement expenses | 674 | 1,061 |
| 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 | 1,598 | 1,108 |
| Net income before income taxes | 15,503 | 13,281 |
| Income taxes - current | 3,449 | 4,191 |
| Income taxes - deferred | 1,179 | (625) |
| Total income taxes | 4,628 | 3,566 |
| Net income | 10,874 | 9,714 |
| Net income (loss) attributable to non-controlling interests | (435) | 417 |
| Net income attributable to owners of parent | 11,310 | 9,297 |

Consolidated statement of comprehensive income

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) |
|---|---|---|
| Net income | 10,874 | 9,714 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1,287) | 292 |
| Foreign currency translation adjustment | 385 | 2,091 |
| Remeasurements of defined benefit plans | (125) | 243 |
| Share of other comprehensive income of entities accounted for under the equity method | 416 | 230 |
| Total other comprehensive income | (611) | 2,858 |
| Comprehensive income | 10,263 | 12,572 |
| (Breakdown) | | |
| Comprehensive income attributable to owners of parent | 10,703 | 12,138 |
| Comprehensive income attributable to non-controlling interests | (439) | 434 |

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

Previous fiscal year 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 |
| 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 |
| 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 |

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

(Unit: Millions of yen)

| | Shareholders' equity | | | | |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 9,040 | 7,907 | 61,185 | (1,366) | 76,767 |
| Changes during period | | | | | |
| Dividends of surplus | | | (3,592) | | (3,592) |
| Net income attributable to owners of parent | | | 9,297 | | 9,297 |
| Disposal of treasury shares | | | | 61 | 61 |
| 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 | - | - | 5,704 | 61 | 5,766 |
| Balance at end of period | 9,040 | 7,907 | 66,890 | (1,305) | 82,533 |

| | 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 | 592 | 18,763 | 150 | 19,506 | 6 | 1,905 | 98,185 |
| Changes during period | | | | | | | |
| Dividends of surplus | | | | | | | (3,592) |
| Net income attributable to owners of parent | | | | | | | 9,297 |
| Disposal of treasury shares | | | | | | | 61 |
| Change in ownership interest of parent due to transactions with non-controlling interests | | | | | | | - |
| Net changes in items other than shareholders' equity | 292 | 2,304 | 243 | 2,840 | - | (887) | 1,952 |
| Total changes during period | 292 | 2,304 | 243 | 2,840 | - | (887) | 7,718 |
| Balance at end of period | 884 | 21,068 | 394 | 22,347 | 6 | 1,017 | 105,904 |

(4) Consolidated statements of cash flows

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) |
|--|---|---|
| Cash flows from operating activities | | |
| Net income before income taxes | 15,503 | 13,281 |
| Depreciation | 5,685 | 5,122 |
| Impairment losses | 383 | - |
| Increase (decrease) in allowance for doubtful accounts | (167) | (299) |
| Interest and dividend income | (1,380) | (872) |
| Interest expenses | 401 | 382 |
| Share of loss (profit) of entities accounted for using equity method | (392) | (438) |
| Loss (gain) on disposal of non-current assets | (3,221) | (2) |
| Loss (gain) on sale of investment securities | (59) | (507) |
| Decrease (increase) in trade receivables | 4,329 | (2,886) |
| Decrease (increase) in inventories | 1,417 | 2,780 |
| Increase (decrease) in trade payables | (8,165) | (931) |
| Loss (gain) on sale of shares of subsidiaries and associates | (2,010) | - |
| Other | (1,245) | (253) |
| Subtotal | 11,075 | 15,373 |
| Interest and dividends received | 2,828 | 2,215 |
| Interest paid | (421) | (40) |
| Income taxes paid | (3,718) | (3,965) |
| Net cash provided by (used in) operating activities | 9,764 | 13,583 |
| Cash flows from investing activities | | |
| Payments into time deposits | (0) | (1,000) |
| Acquisition of property, plant and equipment | (4,460) | (4,775) |
| Proceeds from sales of property, plant and equipment | 4,099 | 86 |
| Acquisition of investment securities | (25) | - |
| Proceeds from sale of investment securities | 96 | 3,209 |
| Proceeds from sale of shares of subsidiaries and associates | 3,558 | - |
| Proceeds from sale of investments in capital of subsidiaries and associates | 908 | - |
| Payments for sales of investments in capital of subsidiaries resulting in change in scope of consolidation | - | (889) |
| Other | (215) | (218) |
| Net cash provided by (used in) investing activities | 3,962 | (3,588) |
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | 1,500 | (8,293) |
| Repayments of long-term borrowings | (5,500) | - |
| Proceeds from issuance of bonds | 4,012 | - |
| Decrease (increase) in treasury shares | - | 61 |
| Dividends paid to non-controlling interests | (1,131) | (274) |
| Dividend paid | (3,416) | (3,592) |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation | (3,850) | - |
| Other | (906) | (271) |
| Net cash provided by (used in) financing activities | (9,294) | (12,369) |
| Effect of exchange rate change on cash and cash equivalents | 33 | 3,358 |
| Net increase (decrease) in cash and cash equivalents | 4,465 | 984 |
| Cash and cash equivalents at beginning of period | 39,127 | 43,593 |
| Cash and cash equivalents at end of period | 43,593 | 44,577 |

(5) Notes to the consolidated financial statements
 (Notes regarding going concern assumptions)
 Not applicable.

(Changes in accounting policies)
 Not applicable.

(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. As a result of aggregating business segments with generally similar economic characteristics, the Company has five reportable segments: Japan, North America, Latin America, China, and Southeast Asia. The Company liquidated Tachi-S Engineering Europe S.A.R.L., which had been included in "Europe" and removed the company from the scope of consolidation in the previous consolidated fiscal year. Accordingly, "Europe" has been excluded from reportable segments from the fiscal year under review.

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

The accounting treatment method for the reportable segments is the same as that adopted for the preparation of 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, 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 receivables.

2. Segment profit or loss is reconciled to operating income under the consolidated statement of income.

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

(Unit: Millions of yen)

| | Reportable Segment | | | | | | Adjustments (Note 1) | Total shown in consolidated financial statements (Note 2) |
|---|--------------------|---------------|---------------|--------|----------------|---------|-------------------------|--|
| | Japan | North America | Latin America | China | Southeast Asia | Total | | |
| Net sales | | | | | | | | |
| Revenue from contracts with customers | 108,559 | 41,449 | 103,744 | 8,999 | 6,256 | 269,009 | - | 269,009 |
| Sales to outside customers | 108,559 | 41,449 | 103,744 | 8,999 | 6,256 | 269,009 | - | 269,009 |
| Intersegment sales or transfers | 5,748 | 140 | 608 | 8,845 | 1,524 | 16,866 | (16,866) | - |
| Total | 114,307 | 41,590 | 104,352 | 17,845 | 7,780 | 285,876 | (16,866) | 269,009 |
| Segment profit | 6,153 | 510 | 2,342 | 1,618 | 1,031 | 11,655 | (50) | 11,604 |
| Segment assets | 123,480 | 35,307 | 50,709 | 17,387 | 6,071 | 232,957 | (62,584) | 170,372 |
| Other items | | | | | | | | |
| Depreciation | 1,894 | 358 | 2,017 | 513 | 339 | 5,122 | - | 5,122 |
| Investment in equity-method affiliates | 5,384 | - | - | 2,021 | - | 7,405 | 114 | 7,520 |
| Increase in property, plant and equipment and intangible assets | 2,553 | 427 | 929 | 249 | 496 | 4,657 | - | 4,657 |

Notes: 1. Adjustment is mainly intersegment transaction eliminations.

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

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

2. Segment profit is reconciled to operating income under the consolidated statement of income.

(Earnings per share)

| Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) | |
|---|----------|---|----------|
| Net assets per share | 2,808.25 | Net assets per share | 3,055.91 |
| Net income per share | 329.93 | Net income per share | 271.03 |
| Diluted net income per share | 325.90 | Diluted net income per share | 233.49 |

(Notes) 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, 2025: 61,400 shares

Fiscal year ended March 31, 2026: 58,569 shares

Number of shares at fiscal year-end

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

Fiscal year ended March 31, 2026: 56,800 shares

- Employee Stock Ownership Trust

Average number of shares outstanding during the period

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

Fiscal year ended March 31, 2026: 249,898 shares

Number of shares at fiscal year-end

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

Fiscal year ended March 31, 2026: 235,798 shares

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

| | Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) |
|---|---|---|
| Net income per share | | |
| Net income attributable to owners of parent (millions of yen) | 11,310 | 9,297 |
| Amount not belonging to common shareholders (millions of yen) | - | - |
| Net income attributable to owners of parent related to common shares (millions of yen) | 11,310 | 9,297 |
| Average common shares outstanding (thousands of shares) | 34,281 | 34,304 |
| 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 | 5,515 |
| (Of which, share acquisition rights (thousands of shares)) | [254] | [3,311] |
| (Of which, convertible-bond-type bonds with share acquisition rights (thousands of shares)) | [169] | [2,204] |
| 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)

(Acquisition of Shares Involving a Change in Subsidiaries)

At a meeting of the Board of Directors held on April 10, 2026, the Company resolved to acquire shares in TACHI-S TOYO Group Holdings Co., Ltd. (the “New Company”) and make it a consolidated subsidiary (the “Share Acquisition”). The New Company will be established by TOYO H&I Co., Ltd. (“TOYO H&I”). Through an absorption-type company split, it will succeed to the shares and equity interests held by TOYO H&I in Toyo Seat Co., Ltd., Toyo Seat USA Corporation, TOYO SEAT Europe Autóalkatrész Gyártó és Kereskedelmi Korlátolt Felelősségű Társaság (English name: TOYO SEAT Europe Kft.), Toyo Seat Hong Kong Company Limited, Toyo Seat Philippines Corporation and NANJO Auto Interior Co., Ltd. (collectively, the “TOYO H&I Group”), as well as assets related to the TOYO H&I Group’s automotive seat and interior business.

For details, please refer to “Notice Regarding Acquisition of Shares Resulting in Change of Subsidiary and Change in Specified Subsidiary” released on April 10, 2026.

The impact of this share acquisition on the Company’s financial results for the fiscal year ended March 31, 2026 is immaterial.

4. Non-Consolidated Financial Statements

(1) Balance sheet

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|---|-------------------------------------|-------------------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 15,810 | 19,090 |
| Electronically recorded monetary claims - operating | 2,613 | 2,343 |
| Accounts receivable - trade | 20,043 | 22,978 |
| Merchandise and finished goods | 267 | 273 |
| Work in process | 1,231 | 440 |
| Raw materials and supplies | 2,883 | 2,248 |
| Advance payments - trade | - | 3 |
| Short-term loans receivable | 7,963 | 5,813 |
| Other | 2,155 | 2,508 |
| Allowance for doubtful accounts | (4,178) | (361) |
| Total current assets | 48,791 | 55,337 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 3,217 | 3,157 |
| Structures, net | 98 | 97 |
| Machinery and equipment, net | 1,730 | 1,658 |
| Vehicles, net | 0 | 0 |
| Tools, instruments and fixtures, net | 475 | 328 |
| Land | 3,359 | 3,359 |
| Construction in progress | 17 | 20 |
| Total property, plant and equipment | 8,898 | 8,621 |
| Intangible assets | | |
| Software | 395 | 462 |
| Other | 16 | 16 |
| Total intangible assets | 411 | 478 |
| Investments and other assets | | |
| Investment securities | 5,827 | 3,567 |
| Shares of subsidiaries and associates | 24,819 | 24,819 |
| Investments in capital | 0 | 0 |
| Investments in capital of subsidiaries and associates | 6,790 | 6,772 |
| Long-term loans receivable to employees | 10 | 6 |
| Long-term prepaid expenses | 54 | 219 |
| Prepaid pension costs | 577 | 708 |
| Deferred tax assets | 432 | 550 |
| Other | 291 | 256 |
| Allowance for doubtful accounts | (4) | (4) |
| Total investments and other assets | 38,800 | 36,897 |
| Total non-current assets | 48,110 | 45,997 |
| Total assets | 96,901 | 101,335 |

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 | Fiscal year ended March 31, 2026 |
|--|-------------------------------------|-------------------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes payable - trade | 31 | - |
| Electronically recorded monetary obligations - operating | 1,745 | 4,749 |
| Accounts payable - trade | 13,965 | 13,049 |
| Short-term borrowings | 7,030 | - |
| Short-term borrowings from subsidiaries and associates | 1,308 | 46 |
| Accounts payable - other | 448 | 300 |
| Accrued expenses | 2,891 | 3,138 |
| Income taxes payable | 703 | 1,168 |
| Deposits received | 126 | 234 |
| Notes payable - facilities | 84 | 107 |
| Unearned revenue | 9 | 37 |
| Provision for bonuses for directors (and other officers) | 60 | 63 |
| Other | 570 | 472 |
| Total current liabilities | 28,976 | 23,367 |
| Non-current liabilities | | |
| Bonds payable | 4,011 | 4,009 |
| Provision for share-based remuneration | 440 | 412 |
| Other | 40 | 40 |
| Total non-current liabilities | 4,492 | 4,462 |
| Total liabilities | 33,469 | 27,829 |
| 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 | 18 |
| General reserve | 15,000 | 15,000 |
| Retained earnings brought forward | 31,055 | 40,775 |
| Total retained earnings | 46,555 | 56,275 |
| Treasury shares | (1,366) | (1,305) |
| Total shareholders' equity | 62,834 | 72,615 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 591 | 884 |
| Total valuation and translation adjustments | 591 | 884 |
| Share acquisition rights | 6 | 6 |
| Total net assets | 63,432 | 73,506 |
| Total liabilities and net assets | 96,901 | 101,335 |

(2) Statement of income

(Unit: Millions of yen)

| | Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) | Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026) |
|--|---|---|
| Net sales | 107,272 | 99,809 |
| Cost of sales | | |
| Starting balance of product inventory | 348 | 294 |
| Product manufacturing costs | 94,740 | 87,184 |
| Total | 95,088 | 87,479 |
| Ending balance of product inventory | 294 | 296 |
| Product cost of sales | 94,793 | 87,183 |
| Gross profit | 12,479 | 12,626 |
| Selling, general and administrative expenses | | |
| Employees' salaries and benefits | 1,932 | 1,926 |
| Directors' compensation | 240 | 219 |
| Bonuses | 471 | 584 |
| Provision for bonuses for directors (and other officers) | 60 | 63 |
| Retirement benefit expenses | 123 | 87 |
| Shipping expenses | 1,132 | 1,030 |
| Research and development expenses | 977 | 1,323 |
| Provision of allowance for doubtful accounts | 490 | (265) |
| Depreciation | 335 | 303 |
| Other | 2,183 | 2,150 |
| Total selling, general and administrative expenses | 7,947 | 7,423 |
| Operating income | 4,531 | 5,202 |
| Non-operating income | | |
| Interest income | 515 | 1,096 |
| Dividend income | 4,831 | 4,261 |
| Foreign exchange gains | - | 525 |
| Reversal of allowance for doubtful accounts | 46 | 3,681 |
| Miscellaneous income | 118 | 152 |
| Total non-operating income | 5,511 | 9,717 |
| Non-operating expenses | | |
| Interest expenses | 316 | 251 |
| Foreign exchange losses | 88 | - |
| Miscellaneous expenditures | 50 | 160 |
| Total non-operating expenses | 454 | 412 |
| Ordinary income | 9,588 | 14,507 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 660 | 0 |
| Gain on sale of investment securities | 59 | 505 |
| Gain on sales of investments in capital of subsidiaries and associates | - | 28 |
| Gain on liquidation of subsidiaries | 1,792 | - |
| Total extraordinary income | 2,512 | 533 |
| Extraordinary losses | | |
| Loss on disposal of non-current assets | 131 | 20 |
| Business restructuring and improvement expenses | 153 | 18 |
| Loss on valuation of investments in capital of subsidiaries and associates | 333 | - |
| Total extraordinary losses | 617 | 39 |
| Net income before income taxes | 11,483 | 15,001 |
| Income taxes - current | 1,066 | 1,951 |
| Income taxes - deferred | (370) | (261) |
| Total income taxes | 696 | 1,689 |
| Net income | 10,787 | 13,312 |

(3) Statement of changes in shareholders' equity

Previous fiscal year 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 | - |
| 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 | | - | | | | - |
| 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 |

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

(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 | 31,055 | 46,555 |
| Changes during period | | | | | | | | | |
| Dividends of surplus | | | | | | | | (3,592) | (3,592) |
| Net income | | | | | | | | 13,312 | 13,312 |
| Reversal of reserve for tax purpose reduction entry | | | | | | (0) | | 0 | - |
| Disposal of treasury shares | | | | | | | | | |
| Net changes in items other than shareholders' equity | | | | | | | | | |
| Total changes during period | - | - | - | - | - | (0) | - | 9,719 | 9,719 |
| Balance at end of period | 9,040 | 8,592 | 12 | 8,604 | 480 | 18 | 15,000 | 40,775 | 56,275 |

| | 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 | (1,366) | 62,834 | 591 | 591 | 6 | 63,432 |
| Changes during period | | | | | | |
| Dividends of surplus | | (3,592) | | | | (3,592) |
| Net income | | 13,312 | | | | 13,312 |
| Reversal of reserve for tax purpose reduction entry | | - | | | | - |
| Disposal of treasury shares | 61 | 61 | | | | 61 |
| Net changes in items other than shareholders' equity | | | 293 | 293 | - | 293 |
| Total changes during period | 61 | 9,780 | 293 | 293 | - | 10,073 |
| Balance at end of period | (1,305) | 72,615 | 884 | 884 | 6 | 73,506 |