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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



May 13, 2026

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 Listing: Tokyo Stock Exchange
 Securities code: 6371
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	295,878	6.0	21,578	(5.6)	24,804	(2.1)	29,708	34.3
March 31, 2025	279,193	4.6	22,854	7.5	25,332	8.0	22,122	19.2

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 40,476 million [118.1%]
 For the fiscal year ended March 31, 2025: ¥ 18,562 million [(57.2)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended March 31, 2026	Yen 295.80	Yen -	% 10.7	% 6.0	% 7.3
March 31, 2025	212.65	-	8.5	6.6	8.2

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ (61) million

For the fiscal year ended March 31, 2025: ¥ (2) million

Note: Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. Profit per share is calculated assuming that such stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of March 31, 2026	Millions of yen 459,784	Millions of yen 303,815	% 64.5	Yen 2,848.72
March 31, 2025	371,510	262,162	69.9	2,533.14

Reference: Equity

As of March 31, 2026: ¥ 296,356 million

As of March 31, 2025: ¥ 259,810 million

(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
Fiscal year ended March 31, 2026	Millions of yen 31,891	Millions of yen (8,976)	Millions of yen (20,244)	Millions of yen 78,529
March 31, 2025	21,297	(11,834)	(21,655)	63,316

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	99.00	-	47.00	-	8,220	37.6	3.2
Fiscal year ended March 31, 2026	-	40.00	-	40.00	80.00	8,074	27.0	3.0
Fiscal year ending March 31, 2027 (Forecast)	-	40.00	-	40.00	80.00		36.7	

Note 1: Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. The dividend per share for the 2nd quarter-end of the fiscal year ended March 31, 2025 reflects the amount before the stock split. Accordingly, the total annual dividend per share is shown as “-.” The dividend per share in the fiscal year ended March 31, 2025 factoring in the stock split is 33 yen for the 2nd quarter-end, and 80 yen for the full year.

Note 2: The dividend payout ratio for the fiscal year ended March 31, 2026, using profit excluding factors such as gain on bargain purchase as the basis for dividends, is 35.0%. For details, please refer to 1. Summary of Business Results and Other Financial Information, (5) Profit Distribution Policy and Dividends for the Fiscal Year under Review and the Current Fiscal Year on page 4 of Attachments.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	170,000	25.3	10,700	28.9	12,000	18.6	10,000	0.8	98.10
Full year	350,000	18.3	25,500	18.2	26,000	4.8	22,000	(25.9)	218.17

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes
 New inclusion: 16 companies (Company name) DAIDO KOGYO CO., LTD. and 15 other companies;
 Exclusion: - company (Company name) -

(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: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	106,213,279 shares
As of March 31, 2025	106,213,279 shares

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

As of March 31, 2026	2,181,787 shares
As of March 31, 2025	3,648,863 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	100,436,234 shares
Fiscal Year ended March 31, 2025	104,031,860 shares

Note: Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. “Average number of shares outstanding during the period” is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	117,904	14.6	1,643	85.6	18,798	36.0	20,968	27.5
March 31, 2025	102,893	2.2	885	(61.6)	13,820	30.2	16,449	61.4

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Fiscal year ended				
March 31, 2026	208.77	-	-	-
March 31, 2025	158.12	-	-	-

Note: Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. Profit per share is calculated assuming that such stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2026	250,542	164,854	65.8	1,584.56
March 31, 2025	226,996	145,607	64.1	1,419.67

Reference: Equity

As of March 31, 2026:	¥	164,854 million
As of March 31, 2025:	¥	145,607 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

For the assumptions underlying the consolidated results forecast, please refer to 1. Summary of Business Results and Other Financial Information (4) Outlook for the Current Fiscal Year beginning on page 4 of the attached materials.

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1. Summary of Business Results and Other Financial Information

(1) Summary of Business Results in the Fiscal Year under Review

Regarding the global economy in the consolidated fiscal year under review (April 1, 2025 to March 31, 2026), amid uncertainty surrounding U.S. trade policy and heightened tensions in the Middle East, the global economy as a whole continued on a moderate recovery trend, supported by economic measures implemented by various countries and demand for corporate capital investment.

The U.S. economy remained firm overall. Personal consumption showed some weakness against the backdrop of the impact of trade policy and price trends, but capital investment remained solid and the employment environment also continued to be generally favorable. The European and Chinese economies avoided entering a recessionary phase, supported by policy measures and public investment, despite continued weak demand and ongoing structural adjustment pressures.

The Japanese economy continued on a weak overall recovery trend, although signs of a pickup were seen, partly reflecting a recovery in capital investment and inbound demand, while the recovery in personal consumption remained moderate amid rising prices.

Under these circumstances, the Group's operating results remained firm, with the Chain Business maintaining strong performance despite being partially affected by U.S. tariff policies, while the Mobility Business also performed solidly against the backdrop of growing demand related to hybrid vehicles. Orders received by the Group in the consolidated fiscal year under review were up 9.9% year on year to ¥300,606 million, and net sales by 6.0% to ¥295,878 million, partly due to the inclusion of DAIDO KOGYO CO., LTD. in the scope of consolidation as a subsidiary from January 2026.

Owing mainly to one off expenses associated with participation in Expo 2025 Osaka, Kansai and the acquisition of a subsidiary, operating profit decreased 5.6% year on year to ¥21,578 million, and ordinary profit decreased 2.1% year on year to ¥24,804 million. Profit attributable to owners of parent increased 34.3% to ¥29,708 million, owing to factors including gain on bargain purchase recognized by including DAIDO KOGYO CO., LTD. into the scope of consolidation as a subsidiary.

Building toward "What we want to be in 2030" as set forth in Long-Term Vision 2030, the Group has pursued management focused on sustainable growth and the enhancement of corporate value, bearing in mind that this is the final year of Mid-Term Management Plan 2025, that started in fiscal 2021. While a certain degree of progress was achieved, challenges to be addressed going forward also became apparent, including the qualitative transformation of businesses, enhancement of profitability, and redefining the management foundation appropriate for a global group.

The next Mid-Term Management Plan is based on these considerations and the fundamental policy of achieving both the resolution of social issues and the creation of economic value. Under this plan, the Group will aim to achieve sustainable growth and enhance corporate value by shifting to a business structure with a stronger focus on profitability and strengthening the management foundation of the global group as a whole. We will continue to strive to advance sustainability activities, including the achievement of carbon neutrality, in addition to promoting management with an awareness of capital costs.

Segment results are summarized as follows:

[Chains]

In the Chains segment, net sales increased year on year due to such factors as a rise in sales in Japan, the Americas, Europe, and the Indian Ocean Rim.

The segment recorded year-on-year increases of 9.5% in orders received to ¥101,598 million, and 5.9% in net sales to ¥99,830 million. However, operating profit declined by 1.5% year on year to ¥15,353 million due to depressed economic conditions in China and Germany and other factors.

[Motion Control]

In the Motion Control segment, net sales were up year on year due to an increase in sales in Japan, the Americas, Europe, the Indian Ocean Rim, and China.

Consequently, the segment recorded a year-on-year increase of 7.3% in orders received to ¥24,019 million, a 4.5% year-on-year increase in net sales to ¥23,983 million, and a year-on-year increase of 29.4% in operating profit to ¥996 million.

[Mobility]

In the Mobility segment, net sales increased year on year due to factors such as an increase in the sales of timing chain systems for automobile engines and other items at bases in Japan, the Americas, Europe, and the Indian Ocean Rim.

The segment recorded a year-on-year increase of 7.5% in orders received to ¥97,668 million, a year-on-year increase of 6.8% in net sales to ¥97,359 million, and a year-on-year increase of 21.1% in operating profit to ¥10,036 million.

[Materials Handling Systems]

In the Materials Handling Systems segment, net sales increased year on year, due to increased sales of systems for the construction machinery industry and the logistics industry in Japan, despite a decrease of sales in the Americas of systems for the automotive industry, metalworking chips handling, and coolant processing equipment.

The segment recorded year-on-year increases of 12.6% in orders received to ¥73,109 million, and 3.7% in net sales to ¥70,629 million, while operating profit decreased year on year by 22.8% to ¥963 million.

[Other]

Other orders received increased 62.5% year on year to ¥4,210 million, and net sales increased 50.5% over the same period to ¥4,076 million. The Group recorded an operating loss of ¥1,180 million (operating loss of ¥833 million in the previous fiscal year).

(2) Summary of Financial Position in the Fiscal Year under Review

(Assets)

Total assets at the end of the consolidated fiscal year on March 31, 2026 were ¥459,784 million, up ¥88,274 million from the end of the previous consolidated fiscal year. This was mainly due to increases of ¥20,564 million in “Inventories,” ¥17,093 million in “Investment securities,” ¥14,105 million in “Notes and accounts receivable - trade, and contract assets,” ¥13,502 million in “Cash and deposits,” ¥8,034 million in “Buildings and structures,” and ¥5,703 million in “Land,” as a result of a number of factors including DAIDO KOGYO CO., LTD. having been newly included in the scope of consolidation as a subsidiary.

(Liabilities)

Total liabilities at the end of the consolidated fiscal year on March 31, 2026 were ¥155,969 million, up ¥46,621 million from the end of the previous consolidated fiscal year. This was mainly due to increases of ¥23,015 million in “Borrowings,” ¥9,859 million in “Notes and accounts payable - trade,” and ¥5,244 million in “Other” of “Current liabilities,” as a result of a number of factors including DAIDO KOGYO CO., LTD. having been newly included in the scope of consolidation as a subsidiary.

(Net assets)

Net assets at the end of the consolidated fiscal year on March 31, 2026 were ¥303,815 million, up ¥41,653 million from the end of the previous consolidated fiscal year. This was due to a number of factors including increases of ¥21,108 million in “Retained earnings,” ¥8,080 million in “Foreign currency translation adjustment” due to exchange rate fluctuations, as well as an increase of ¥5,106 million in “Non-controlling interests” as a result of a number of factors including DAIDO KOGYO CO., LTD. having been newly included in the scope of consolidation.

Consequently, the equity ratio decreased by 5.4 percentage points to 64.5%.

(3) Summary of Cash Flow in the Fiscal Year under Review

“Cash and cash equivalents” (hereafter referred to as “Cash”) at the end of the consolidated fiscal year on March 31, 2026 amounted to ¥78,529 million, up ¥15,213 million from the end of the previous consolidated fiscal year.

Respective cash flows and their causes are as follows:

(Cash flows from operating activities)

Net Cash provided by operating activities was ¥31,891 million. This was attributable to various factors such as recognizing “Gain on bargain purchase” of ¥11,643 million, payment of “Income taxes” of ¥6,926 million, and “Gain on sale of investment securities” of ¥5,029 million, which were offset by recordings of “Profit before income taxes” of ¥36,543 million, “Depreciation” of ¥14,833 million, and “Impairment losses” of ¥4,641 million.

(Cash flows from investing activities)

Net Cash used in investing activities was ¥8,976 million. This resulted from factors such as capital expenditure payment of ¥15,760 million, which offset proceeds from the redemption of time deposits of ¥6,752 million.

(Cash flows from financing activities)

Net Cash used in financing activities amounted to ¥20,244 million. This was attributable to various factors including ¥10,003 million for the “Purchase of treasury shares,” and ¥8,733 million for “Dividends paid.”

(4) Outlook for the Current Fiscal Year

With regard to the outlook going forward, the global economy is expected to remain uncertain due to factors such as U.S. tariff increases, delays in the recovery of the Chinese economy, and military conflicts in the Middle East. Based on these circumstances and the basic approach set forth in the Mid-Term Management Plan for the next term, the Group will endeavor to enhance the quality of existing businesses, and develop new businesses and products that will drive sustainable growth, as well as aim to achieve a shift to a business structure with a stronger focus on profitability, and strengthen the management foundation of the group as a whole.

The consolidated results forecast for the fiscal year ending March 31, 2027 is as follows.

Net sales	¥350,000 million (18.3% increase year on year)
Operating profit	¥25,500 million (18.2% increase year on year)
Ordinary profit	¥26,000 million (4.8% increase year on year)
Profit attributable to owners of parent	¥22,000 million (25.9% decrease year on year)

Exchange rate assumptions for the fiscal year ending March 31, 2027 (fiscal 2026) are set at 1 USD=148 JPY, and 1 Euro=180 JPY.

The forecasts above are based on information currently available and certain assumptions that the Company regards as reasonable. Actual results may differ from these results forecasts depending on changes in the business environment surrounding the Group, market trends, exchange rate fluctuations, and other factors. Furthermore, factors that may affect the results are not limited to those listed above.

(5) Profit Distribution Policy and Dividends for the Fiscal Year under Review and the Current Fiscal Year

We regard returning profits to our shareholders as one of our highest management priorities.

With respect to shareholder returns, our basic policy, with an emphasis on shareholders, is to pay dividends reflecting consolidated business results, while aiming for a consolidated dividend payout ratio of at least 35.0%, taking into comprehensive consideration factors such as cash flows and financial condition.

Regarding dividends for the fiscal year under review, we are planning to pay a dividend of ¥80 per share (including an interim dividend of ¥40 per share), representing a payout ratio of 35.0% based on profit excluding gain on bargain

purchase and other non-cash income. We plan to utilize retained cash for strengthening our underlying financial standing, promoting future business expansion, and for other purposes.

Dividends for the current fiscal year are planned as follows: an interim dividend of ¥40.00 per share, and a year-end dividend of ¥40.00 per share, making a total annual dividend of ¥80.00 per share.

2. Basic Approach to the Selection of Accounting Standards

The Group applies Japanese standards and, for the time being, does not plan to adopt IFRS (International Financial Reporting Standards). However, we will consider our future responses in light of upcoming trends in accounting standards and other factors.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	67,945	81,448
Notes and accounts receivable - trade, and contract assets	47,041	61,147
Electronically recorded monetary claims - operating	17,598	18,749
Securities	780	1,475
Merchandise and finished goods	23,763	31,525
Work in process	17,668	24,534
Raw materials and supplies	14,728	20,665
Other	4,796	8,603
Allowance for doubtful accounts	(1,011)	(1,230)
Total current assets	193,313	246,920
Non-current assets		
Property, plant and equipment		
Buildings and structures	91,343	116,827
Accumulated depreciation	(57,664)	(75,113)
Buildings and structures, net	33,679	41,714
Machinery, equipment and vehicles	165,403	223,714
Accumulated depreciation	(131,575)	(185,452)
Machinery, equipment and vehicles, net	33,828	38,262
Tools, furniture and fixtures	38,965	48,680
Accumulated depreciation	(34,129)	(43,135)
Tools, furniture and fixtures, net	4,836	5,544
Land	38,686	44,390
Construction in progress	6,665	8,181
Total property, plant and equipment	117,695	138,092
Intangible assets		
Goodwill	1,677	1,554
Other	7,567	4,064
Total intangible assets	9,245	5,618
Investments and other assets		
Investment securities	39,876	56,970
Long-term loans receivable	9	350
Deferred tax assets	4,733	5,264
Retirement benefit asset	344	520
Other	6,394	6,497
Allowance for doubtful accounts	(102)	(449)
Total investments and other assets	51,255	69,152
Total non-current assets	178,197	212,864
Total assets	371,510	459,784

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,284	26,143
Electronically recorded obligations - operating	3,650	2,755
Short-term borrowings	4,271	10,149
Current portion of bonds payable	5,000	1,100
Current portion of long-term borrowings	1,573	3,504
Lease liabilities	753	1,125
Income taxes payable	2,239	3,464
Accrued consumption taxes	544	316
Provision for bonuses	6,141	7,042
Provision for bonuses for directors (and other officers)	-	15
Provision for loss on construction contracts	81	72
Provision for shareholder benefit program	126	160
Electronically recorded obligations - non-operating	1,315	1,891
Other	20,524	25,769
Total current liabilities	62,505	83,512
Non-current liabilities		
Bonds payable	10,000	14,600
Long-term borrowings	4,300	19,507
Lease liabilities	1,340	2,604
Deferred tax liabilities	11,738	14,469
Deferred tax liabilities for land revaluation	5,148	5,148
Provision for retirement benefits for directors (and other officers)	159	149
Retirement benefit liability	12,461	14,089
Asset retirement obligations	631	612
Other	1,060	1,276
Total non-current liabilities	46,842	72,456
Total liabilities	109,348	155,969
Net assets		
Shareholders' equity		
Share capital	17,076	17,076
Capital surplus	12,587	15,428
Retained earnings	192,135	213,244
Treasury shares	(6,018)	(3,982)
Total shareholders' equity	215,781	241,766
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,495	20,667
Deferred gains or losses on hedges	(13)	(16)
Revaluation reserve for land	(10,744)	(10,744)
Foreign currency translation adjustment	34,446	42,527
Remeasurements of defined benefit plans	844	2,155
Total accumulated other comprehensive income	44,028	54,590
Non-controlling interests	2,352	7,458
Total net assets	262,162	303,815
Total liabilities and net assets	371,510	459,784

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	279,193	295,878
Cost of sales	197,010	208,593
Gross profit	82,182	87,285
Selling, general and administrative expenses	59,328	65,706
Operating profit	22,854	21,578
Non-operating income		
Interest income	1,409	1,594
Dividend income	1,657	1,339
Foreign exchange gains	-	815
Other	1,142	1,134
Total non-operating income	4,209	4,883
Non-operating expenses		
Interest expenses	295	379
Loss on sale and retirement of non-current assets	193	310
Share of loss of entities accounted for using equity method	2	61
Foreign exchange losses	384	-
Other	854	906
Total non-operating expenses	1,731	1,657
Ordinary profit	25,332	24,804
Extraordinary income		
Gain on step acquisitions	-	117
Gain on sale of investment securities	5,088	5,028
Gain on sale of non-current assets	-	671
Gain on bargain purchase	-	11,643
Subsidy income	-	889
Total extraordinary income	5,088	18,350
Extraordinary losses		
Impairment losses	21	4,641
Loss on valuation of investments in capital of subsidiaries and associates	113	-
Loss on business restructuring	-	1,196
Loss on tax purpose reduction entry of non-current assets	-	402
Loss on valuation of shares of subsidiaries and associates	118	371
Total extraordinary losses	253	6,612
Profit before income taxes	30,167	36,543
Income taxes - current	8,225	7,619
Income taxes - deferred	(226)	(908)
Total income taxes	7,998	6,710
Profit	22,169	29,832
Profit attributable to non-controlling interests	46	123
Profit attributable to owners of parent	22,122	29,708

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	22,169	29,832
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,171)	1,178
Deferred gains or losses on hedges	47	(2)
Revaluation reserve for land	(147)	-
Foreign currency translation adjustment	2,618	8,152
Remeasurements of defined benefit plans, net of tax	12	1,311
Share of other comprehensive income of entities accounted for using equity method	33	3
Total other comprehensive income	(3,606)	10,644
Comprehensive income	18,562	40,476
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,319	40,270
Comprehensive income attributable to non-controlling interests	243	205

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,076	12,582	185,285	(4,375)	210,568
Changes during period					
Dividends of surplus			(6,984)		(6,984)
Profit attributable to owners of parent			22,122		22,122
Purchase of treasury shares				(10,005)	(10,005)
Disposal of treasury shares		15		65	81
Cancellation of treasury shares		(15)	(8,281)	8,297	-
Increase by share exchanges					-
Change from newly consolidated subsidiary					-
Transfer from retained earnings to capital surplus		5	(5)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	5	6,850	(1,642)	5,212
Balance at end of period	17,076	12,587	192,135	(6,018)	215,781

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	25,667	(61)	(10,597)	31,991	831	47,831	2,159	260,559
Changes during period								
Dividends of surplus								(6,984)
Profit attributable to owners of parent								22,122
Purchase of treasury shares								(10,005)
Disposal of treasury shares								81
Cancellation of treasury shares								-
Increase by share exchanges								-
Change from newly consolidated subsidiary								-
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	(6,171)	47	(147)	2,455	12	(3,803)	192	(3,610)
Total changes during period	(6,171)	47	(147)	2,455	12	(3,803)	192	1,602
Balance at end of period	19,495	(13)	(10,744)	34,446	844	44,028	2,352	262,162

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,076	12,587	192,135	(6,018)	215,781
Changes during period					
Dividends of surplus			(8,733)		(8,733)
Profit attributable to owners of parent			29,708		29,708
Purchase of treasury shares				(10,003)	(10,003)
Disposal of treasury shares		(2)		87	85
Cancellation of treasury shares					-
Increase by share exchanges		3,211		11,967	15,179
Change from newly consolidated subsidiary		(370)	133	(15)	(252)
Transfer from retained earnings to capital surplus		1	(1)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	2,840	21,108	2,035	25,984
Balance at end of period	17,076	15,428	213,244	(3,982)	241,766

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19,495	(13)	(10,744)	34,446	844	44,028	2,352	262,162
Changes during period								
Dividends of surplus								(8,733)
Profit attributable to owners of parent								29,708
Purchase of treasury shares								(10,003)
Disposal of treasury shares								85
Cancellation of treasury shares								-
Increase by share exchanges								15,179
Change from newly consolidated subsidiary								(252)
Transfer from retained earnings to capital surplus								-
Net changes in items other than shareholders' equity	1,172	(2)	-	8,080	1,311	10,561	5,106	15,668
Total changes during period	1,172	(2)	-	8,080	1,311	10,561	5,106	41,653
Balance at end of period	20,667	(16)	(10,744)	42,527	2,155	54,590	7,458	303,815

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	30,167	36,543
Depreciation	14,211	14,833
Impairment losses	21	4,641
Loss on business restructuring	-	1,196
Amortization of goodwill	212	320
Gain on bargain purchase	-	(11,643)
Loss (gain) on sale and retirement of non-current assets	123	(451)
Loss (gain) on valuation of investment securities	72	1
Loss (gain) on sale of investment securities	(5,088)	(5,029)
Loss on valuation of shares of subsidiaries and associates	118	371
Loss on valuation of investments in capital of subsidiaries and affiliates	113	-
Loss (gain) on step acquisitions	-	(117)
Subsidy income	-	(889)
Loss on tax purpose reduction entry of non-current assets	-	402
Increase (decrease) in allowance for doubtful accounts	68	19
Increase (decrease) in retirement benefit liability	(88)	609
Decrease (increase) in trade receivables	3,414	402
Decrease (increase) in inventories	2,809	(1,461)
Increase (decrease) in trade payables	(14,006)	(940)
Other, net	(4,585)	(2,482)
Subtotal	27,565	36,329
Interest and dividends received	3,075	2,907
Interest paid	(297)	(419)
Income taxes paid	(9,045)	(6,926)
Net cash provided by (used in) operating activities	21,297	31,891
Cash flows from investing activities		
Payments into time deposits	(5,237)	(5,607)
Proceeds from withdrawal of time deposits	3,403	6,752
Purchase of investment securities	(21)	(29)
Proceeds from sale of investment securities	5,668	4,254
Purchase of shares, etc of subsidiaries resulting in change in scope of consolidation	(624)	(285)
Purchase of shares of subsidiaries and associates	(2,094)	(499)
Net decrease (increase) in short-term loans receivable	(13)	(0)
Long-term loan advances	(13)	(15)
Proceeds from collection of long-term loans receivable	16	15
Purchase of non-current assets	(13,159)	(15,760)
Proceeds from sale of non-current assets	240	1,309
Subsidies received	-	889
Net cash provided by (used in) investing activities	(11,834)	(8,976)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(9)	(72)
Proceeds from long-term borrowings	2,150	6,450
Repayments of long-term borrowings	(5,817)	(1,794)
Redemption of bonds	-	(5,000)
Repayments of finance lease liabilities	(937)	(1,058)
Dividends paid	(6,984)	(8,733)
Dividends paid to non-controlling interests	(50)	(32)
Purchase of treasury shares	(10,005)	(10,003)
Proceeds from sale of treasury shares	0	0
Net cash provided by (used in) financing activities	(21,655)	(20,244)
Effect of exchange rate change on cash and cash equivalents	854	3,448
Net increase (decrease) in cash and cash equivalents	(11,338)	6,119
Cash and cash equivalents at beginning of period	74,655	63,316
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	679
Increase in cash and cash equivalents resulting from share exchanges	-	8,414
Cash and cash equivalents at end of period	63,316	78,529