July 30, 2026

Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name:	TSUBAKIMOTO CHAIN CO.
Listing:	Tokyo Stock Exchange
Securities code:	6371
URL:	https://www.tsubakimoto.jp/
Representative:	Takatoshi Kimura, President and Representative Director
Inquiries:	Yukiko Noguchi, Manager, Sustainability Strategy Department
Telephone:	+81-6-6441-0054
Scheduled date to commence dividend payments:	-
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	85,050	30.2	5,163	57.4	6,965	60.0	4,356	(3.1)
June 30, 2025	65,317	(1.7)	3,280	(19.8)	4,354	(28.1)	4,496	(29.6)

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 10,677 million [-%]
For the three months ended June 30, 2025: ¥ 41 million [(99.6) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	42.20	-
June 30, 2025	44.17	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	465,494	304,373	63.7
March 31, 2026	459,784	303,815	64.5

Reference: Equity
As of June 30, 2026: ¥ 296,396 million
As of March 31, 2026: ¥ 296,356 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	40.00	-	40.00	80.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		40.00	-	40.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

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

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2026	106,213,279 shares
As of March 31, 2026	106,213,279 shares

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

As of June 30, 2026	4,580,943 shares
As of March 31, 2026	2,181,787 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	103,231,688 shares
Three months ended June 30, 2025	101,810,511 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

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1. Summary of Business Results and Other Financial Information

(1) Summary of Business Results for the Three Months Under Review

In the three months ended June 30, 2026, the global economy as a whole continued to recover moderately, supported by robust demand for capital investment, particularly in AI- and digital-related sectors, despite concerns over the outlook stemming from uncertainty surrounding U.S. trade policy and heightened tensions in the Middle East.

The U.S. economy remained solid overall, supported by resilient capital investment and labor market conditions, despite some weakness in personal consumption due to the impact of trade policy and price trends. The European economy remained stable overall, supported by policy measures and other factors, although the recovery in demand continued to lack momentum. Despite continued structural challenges centered on the real estate market, the Chinese economy showed signs of recovery, supported by various policy measures.

The Japanese economy also continued on a moderate recovery trend, supported by capital investment and exports. However, rising prices, persistently high energy prices, and labor shortages continued to affect corporate activity and personal consumption, leaving uncertainty over the sustainability of the economic recovery.

While downside risks remain, including developments in U.S. trade policy and heightened geopolitical risks, looking ahead, we expect the global economy to remain on a recovery trajectory, supported by the economic policies of individual countries and by demand for capital investment. As for the Japanese economy, while continued growth in capital investment aimed at addressing labor shortages and promoting digitalization and labor-saving is expected, the recovery in personal consumption is projected to remain moderate due to rising prices and sluggish growth in real wages. Accordingly, we anticipate that uncertainty over the economic outlook will persist.

Against this backdrop, the Group recorded year-on-year increases of 29.2% in orders received, to ¥91,422 million, and 30.2% in net sales, to ¥85,050 million, in the three-month period ended June 30, 2026. Operating profit increased 57.4% year on year to ¥5,163 million, and ordinary profit increased 60.0% year on year to ¥6,965 million, while profit attributable to owners of parent decreased 3.1% year on year to ¥4,356 million.

This fiscal year, building toward “What we want to be in 2030” as set forth in Long-Term Vision 2030, the Group launched Group Mid-Term Management Plan 2030 as its second-phase plan. Under the fundamental policy of achieving both the resolution of social issues and the creation of economic value, 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 proactively 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: We have changed our reporting segment categories starting from this first quarter of the consolidated accounting period. For details, please refer to “2. Quarterly Consolidated Financial Statements and Notes, (4) Notes to Quarterly Consolidated Financial Statements, (Notes on Segment Information, etc.).”

Year-on-year comparisons are based on figures for the previous year reclassified into the changed segment categories.

[Power Transmission]

In the Power Transmission segment, net sales were up year on year due to various factors including increased sales in Japan, the Americas, Europe, the Indian Ocean Rim, South Korea, and Taiwan.

The segment recorded year-on-year increases of 18.7% in orders received, to ¥36,169 million; 17.6% in net sales, to ¥34,339 million; and 10.9% in operating profit, to ¥3,709 million.

[Mobility]

The Mobility segment recorded a year-on-year increase in net sales due to increased sales of motorcycle parts and other items, recognized as a result of DAIDO KOGYO CO., LTD. becoming a consolidated subsidiary of the Company, and to increased sales of timing chain systems for automobile engines and other items at bases in Japan and the Indian Ocean Rim.

The segment recorded year-on-year increases of 47.1% in orders received, to ¥33,025 million; 48.5% in net sales, to ¥33,209 million; and 54.1% in operating profit, to ¥3,229 million.

[Materials Handling Systems]

The Materials Handling Systems segment saw a year-on-year increase in net sales thanks to increased sales of systems for the logistics industry in Japan and other factors.
Despite the segment recording year-on-year increases in orders received of 7.5%, to ¥18,579 million, and 10.0% in net sales, to ¥14,463 million, operating loss increased to ¥730 million (operating loss in the same period of the previous fiscal year was ¥634 million), owing to declining sales of metalworking chips handling and coolant processing systems in the Americas.

[Other]

Other orders received increased 515.1% year on year, to ¥3,648 million, and net sales increased 406.3% over the same period, to ¥3,038 million, while recording an operating loss of ¥587 million (operating loss in the same period of the previous fiscal year was ¥179 million).

(2) Summary of Financial Position in the Three Months Under Review

(Assets)

Total assets at the end of the three-month period ended June 30, 2026 were ¥465,494 million, up ¥5,710 million from the end of the previous consolidated fiscal year. This was due to various factors including increases of ¥4,466 million in "Investment securities" (owing to an increase in the market value of securities held by the Company and other factors), ¥3,748 million in "Inventories" (due to an increase in "Work in process" and other factors), and ¥1,399 million in "Construction in progress," which outweighed decreases of ¥3,435 million in "Notes and accounts receivable - trade, and contract assets" and ¥694 million in "Other" under "Current assets."

(Liabilities)

Total liabilities at the end of the three-month period ended June 30, 2026, were ¥161,120 million, up ¥5,151 million from the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥5,218 million in borrowings and an increase of ¥3,409 million in "Other" under "Current liabilities," despite a decrease of ¥2,950 million in "Provision for bonuses."

(Net assets)

Net assets at the end of the three-month period ended June 30, 2026, were ¥304,373 million, up ¥558 million from the end of the previous consolidated fiscal year. This was attributable to numerous factors, including increases of ¥4,519 million in "Valuation difference on available-for-sale securities," ¥1,831 million in "Foreign currency translation adjustment," and ¥519 million in "Non-controlling interests," despite an increase of ¥6,204 million in "Treasury shares" due to share acquisitions and other factors (decrease in net assets). Consequently, the equity ratio declined by 0.8 percentage points to 63.7%.

(3) Outlook

With respect to the consolidated financial results forecasts for the (cumulative) second quarter and full year of the fiscal year ending March 31, 2027, there are no changes at this time from the forecasts announced on May 13, 2026.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	81,448	81,193
Notes and accounts receivable - trade, and contract assets	61,147	57,711
Electronically recorded monetary claims - operating	18,749	18,971
Securities	1,475	1,413
Merchandise and finished goods	31,525	32,476
Work in process	24,534	26,561
Raw materials and supplies	20,665	21,435
Other	8,603	7,909
Allowance for doubtful accounts	(1,230)	(1,253)
Total current assets	246,920	246,420
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	41,714	42,050
Machinery, equipment and vehicles, net	38,262	38,010
Tools, furniture and fixtures, net	5,544	5,360
Land	44,390	44,726
Construction in progress	8,181	9,581
Total property, plant and equipment	138,092	139,728
Intangible assets		
Goodwill	1,554	1,563
Other	4,064	4,197
Total intangible assets	5,618	5,761
Investments and other assets		
Investment securities	56,970	61,436
Retirement benefit asset	520	530
Other	12,112	12,066
Allowance for doubtful accounts	(449)	(449)
Total investments and other assets	69,152	73,584
Total non-current assets	212,864	219,073
Total assets	459,784	465,494

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,143	25,125
Electronically recorded obligations - operating	2,755	2,420
Short-term borrowings	10,149	15,632
Current portion of bonds payable	1,100	1,100
Current portion of long-term borrowings	3,504	5,835
Income taxes payable	3,464	1,318
Provision for bonuses	7,042	4,092
Provision for bonuses for directors (and other officers)	15	-
Provision for loss on construction contracts	72	102
Provision for shareholder benefit program	160	70
Electronically recorded obligations - non-operating	1,891	2,491
Other	27,211	30,620
Total current liabilities	83,512	88,809
Non-current liabilities		
Bonds payable	14,600	14,600
Long-term borrowings	19,507	16,912
Provision for retirement benefits for directors (and other officers)	149	155
Retirement benefit liability	14,089	14,386
Asset retirement obligations	612	646
Other	23,497	25,610
Total non-current liabilities	72,456	72,311
Total liabilities	155,969	161,120
Net assets		
Shareholders' equity		
Share capital	17,076	17,076
Capital surplus	15,428	15,428
Retained earnings	213,244	213,219
Treasury shares	(3,982)	(10,186)
Total shareholders' equity	241,766	235,537
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,667	25,187
Deferred gains or losses on hedges	(16)	(18)
Revaluation reserve for land	(10,744)	(10,744)
Foreign currency translation adjustment	42,527	44,358
Remeasurements of defined benefit plans	2,155	2,075
Total accumulated other comprehensive income	54,590	60,858
Non-controlling interests	7,458	7,977
Total net assets	303,815	304,373
Total liabilities and net assets	459,784	465,494

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	65,317	85,050
Cost of sales	46,040	60,663
Gross profit	19,276	24,387
Selling, general and administrative expenses	15,996	19,223
Operating profit	3,280	5,163
Non-operating income		
Interest income	382	425
Dividend income	703	1,103
Foreign exchange gains	-	336
Other	217	345
Total non-operating income	1,303	2,211
Non-operating expenses		
Interest expenses	64	212
Foreign exchange losses	32	-
Other	132	197
Total non-operating expenses	229	409
Ordinary profit	4,354	6,965
Extraordinary income		
Gain on sale of investment securities	1,826	-
Total extraordinary income	1,826	-
Extraordinary losses		
Loss on business restructuring	-	906
Total extraordinary losses	-	906
Profit before income taxes	6,181	6,058
Income taxes - current	1,360	1,509
Income taxes - deferred	312	170
Total income taxes	1,672	1,679
Profit	4,508	4,379
Profit attributable to non-controlling interests	11	22
Profit attributable to owners of parent	4,496	4,356

Quarterly Consolidated Statement of Comprehensive Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	4,508	4,379
Other comprehensive income		
Valuation difference on available-for-sale securities	(587)	4,525
Deferred gains or losses on hedges	(5)	(2)
Foreign currency translation adjustment	(3,849)	1,845
Remeasurements of defined benefit plans, net of tax	(3)	(79)
Share of other comprehensive income of entities accounted for using equity method	(20)	9
Total other comprehensive income	(4,466)	6,297
Comprehensive income	41	10,677
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	152	10,625
Comprehensive income attributable to non-controlling interests	(110)	51

(3) Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	6,181	6,058
Depreciation	3,455	3,942
Loss on business restructuring	-	906
Amortization of goodwill	63	71
Loss (gain) on sale and retirement of non-current assets	7	47
Loss (gain) on sale of investment securities	(1,827)	-
Increase (decrease) in allowance for doubtful accounts	(5)	9
Increase (decrease) in retirement benefit liability	172	163
Decrease (increase) in trade receivables	5,497	3,961
Decrease (increase) in inventories	(1,609)	(3,255)
Increase (decrease) in trade payables	953	(1,673)
Other, net	(3,359)	(2,282)
Subtotal	9,529	7,949
Interest and dividends received	1,050	1,573
Interest paid	(106)	(201)
Income taxes paid	(1,963)	(3,265)
Net cash provided by (used in) operating activities	8,510	6,055
Cash flows from investing activities		
Payments into time deposits	(1,579)	(910)
Proceeds from withdrawal of time deposits	1,597	1,274
Purchase of investment securities	(6)	(6)
Proceeds from sale of investment securities	2,003	1,208
Purchase of shares,etc of subsidiaries resulting in change in scope of consolidation	(195)	-
Purchase of shares of subsidiaries and associates	-	(9)
Net decrease (increase) in short-term loans receivable	1	(0)
Long-term loan advances	(4)	(1)
Proceeds from collection of long-term loans receivable	3	3
Purchase of non-current assets	(2,743)	(4,469)
Proceeds from sale of non-current assets	54	38
Net cash provided by (used in) investing activities	(868)	(2,872)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	5,303
Proceeds from long-term borrowings	1,450	-
Repayments of long-term borrowings	(1,452)	(267)
Repayments of finance lease liabilities	(221)	(322)
Dividends paid	(4,820)	(4,161)
Purchase of treasury shares	(4,003)	(6,204)
Proceeds from sale of treasury shares	0	0
Net cash provided by (used in) financing activities	(9,047)	(5,652)
Effect of exchange rate change on cash and cash equivalents	(1,328)	988
Net increase (decrease) in cash and cash equivalents	(2,734)	(1,481)
Cash and cash equivalents at beginning of period	63,316	78,529
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	679	1,480
Cash and cash equivalents at end of period	61,261	78,529