

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 14, 2025

Company name: MITSUBA Corporation

Listing: Tokyo Stock Exchange

Securities code: 7280

URL: <https://www.mitsuba.co.jp/>

Representative: Sadami Hino

, President and Representative Director

Inquiries: Koji Ogino

, General Manager of Accounting and Finance Department

Telephone: +81-277-52-0113

Scheduled date of annual general meeting of shareholders: June 26, 2025

Scheduled date to commence dividend payments: June 11, 2025

Scheduled date to file annual securities report: June 25, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(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, 2025	349,353	1.5	20,930	(1.1)	19,788	(11.4)	11,864	(13.7)
March 31, 2024	344,154	7.7	21,152	214.8	22,344	269.4	13,741	-

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 7,941 million [(77.6)%]
Fiscal year ended March 31, 2024: ¥ 35,499 million [346.7%]

	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
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	251.86	216.46	12.0	5.7	6.0
March 31, 2024	293.62	162.19	16.3	6.5	6.1

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ 535 million
Fiscal year ended March 31, 2024: ¥ 446 million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	333,534	110,886	28.7	1,901.58
March 31, 2024	357,492	122,581	28.4	1,922.39

(Reference) Equity: As of March 31, 2025: ¥ 95,698 million
As of March 31, 2024: ¥ 101,638 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 the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	38,023	(6,881)	(33,924)	97,142
March 31, 2024	41,509	(5,241)	(13,793)	101,490

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	0.00	-	6.00	6.00	268	2.0	0.4
March 31, 2025	-	0.00	-	10.00	10.00	447	4.0	0.5
Fiscal year ending March 31, 2026 (Forecast)	-	0.00	-	15.00	15.00		7.5	

(Note) “Cash dividends” above presents the status of dividends related to common shares. Please refer to “Cash dividends of class stock” mentioned later, for the status of dividends for class stocks (unlisted) that have different rights from the common shares issued by the Company.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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, 2025	170,000	(0.4)	9,000	(12.3)	7,000	(20.3)	4,500	(33.6)	89.51
Full year	340,000	(2.7)	18,000	(14.0)	15,000	(24.2)	10,000	(15.7)	200.84

(Note) The impact of tariffs, which is currently unclear, has not been factored into this forecast.

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: - (Company name: -)
Excluded: 1 (Company name: MITSUBA LOGISTICS CO., LTD.)

(Note) For details, please refer to “(5) Notes to Consolidated Financial Statements in 3. Consolidated Financial Statements and Key Notes” on page 15 of the Attachments.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(Note) For details, please refer to “(5) Notes to Consolidated Financial Statements in 3. Consolidated Financial Statements and Key Notes” on page 15 of the Attachments.

(3) Number of issued shares (common shares)

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

March 31, 2025: 45,581,809 shares

March 31, 2024: 45,581,809 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 826,406 shares

March 31, 2024: 826,041 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 44,755,599 shares

Fiscal Year ended March 31, 2024: 44,755,873 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	165,457	4.2	7,677	46.8	16,771	35.6	15,435	20.5
March 31, 2024	158,722	14.6	5,231	-	12,366	477.5	12,806	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	331.65	281.61
March 31, 2024	272.74	151.16

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	226,839	52,875	23.3	944.78
March 31, 2024	232,664	50,297	21.6	775.27

(Reference) Equity: As of March 31, 2025: ¥ 52,875 million
As of March 31, 2024: ¥ 50,297 million

- * Financial results reports are exempt from audits conducted by certified public accountants or an audit corporation
- * Proper use of earnings forecasts, and other special matters

Earnings forecasts and other forward-looking statements in this report are based on information currently available to the Company and certain assumptions that the Company deems reasonable. Therefore, actual results and others may differ materially due to a variety of factors. Please refer to “(4) Future Outlook in 1. Overview of Operating Results” on page 3 of the Attachments for cautionary notes regarding underlying assumptions for and the use of earnings forecasts.

(How to access the supplementary materials on financial results) The Company plans to hold an online financial results briefing for institutional investors and analysts on May 23, 2025. The materials on financial results to be used at this briefing are scheduled to be posted on the Company's website.

Cash dividends of class stock

The following is the breakdown of dividends per share related to class stocks that have different rights from common stocks.

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Class A stock	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	60,000.00	60,000.00
Fiscal year ended March 31, 2025	-	-	-	-	-
Fiscal year ending March 2026 (forecast)	-	-	-	-	-

(Note) The number of issued Class A stocks above is 10,000 shares. All shares were repurchased and cancelled on June 28, 2024.

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Class D stock	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	-	-	-	-
Fiscal year ended March 31, 2025	-	0.00	-	2,959,726.03	2,959,726.03
Fiscal year ending March 2026 (forecast)	-	0.00	-	3,900,000.00	3,900,000.00

(Note) The number of issued Class D stocks above is 200 shares. The Class D stocks were issued on June 28, 2024.

○ Table of Contents of Attachments

1. Overview of Operating Results	2
(1) Overview of Operating Results for the Fiscal Year under Review	2
(2) Overview of Financial Position for the Fiscal Year under Review	3
(3) Overview of Cash Flows for the Fiscal Year under Review	3
(4) Future Outlook	3
(5) Basic Policy Concerning the Allocation of Profits and Dividends for the Fiscal Year under Review and Next Fiscal Year	4
2. Basic Approach to Selection of Accounting Standards	4
3. Consolidated Financial Statements and Key Notes	5
(1) Consolidated Balance Sheet	5
(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	7
(Consolidated Statement of Income)	7
(Consolidated Statement of Comprehensive Income)	9
(3) Consolidated Statement of Changes in Equity	10
(4) Consolidated Statement of Cash Flows	13
(5) Notes to Consolidated Financial Statements	15
(Notes on Assumptions for Going Concerns)	15
(Significant Accounting Policies for Preparing Consolidated Financial Statements)	15
(Changes in accounting policies)	15
(Changes in Presentation Method)	15
(Consolidated Statement of Changes in Equity)	16
(Segment Information, etc.)	17
(Matters Related to Revenue Recognition)	19
(Per Share Information)	20
(Important Subsequent Events)	20

1. Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year Under Review

For the consolidated fiscal year under review, the global economy remained on a moderate recovery trend. However, it was affected by the prolonged economic stagnation in Europe due to the Russia-Ukraine war, China's economic slowdown, the inauguration of the new administration in the United States, geopolitical risks, and fluctuations in energy prices. In Japan, continuously rising material and energy prices, along with ongoing price escalation due to the weak yen, caused a temporary sense of stagnation. However, from the middle of the year onwards, the economy maintained a recovery trend due to a rebound in personal consumption and strong inbound demand.

In the automotive industry, the number of four-wheeled vehicles sold globally was 88,637 thousand units in calendar year 2024 (down 1.6% year-on-year). In the United States, due to the rush in demand before the imposition of additional tariffs, the number of cars sold reached 15,977 thousand units in the calendar year (up 2.4% year-on-year), surpassing the previous year for the second consecutive year. In Europe, the number of cars sold reached 12,964 thousand units in the calendar year (up 0.9% year-on-year), surpassing the previous year for the second consecutive year. In China, due to the government's car trade-in subsidy policy, the number of cars sold reached 31,436 thousand units in the calendar year (up 4.5% year-on-year), surpassing the previous year for the fourth consecutive year. In Japan, the number of cars sold increased for the third consecutive year to 4,576 thousand units in FY2024 (up 1.1% year-on-year). The number of registrations was 2,948 thousand units (up 1.5% year-on-year), increasing for the third consecutive year, and the number of registrations of mini cars was 1,627 thousand units (up 0.1% year-on-year), increasing for the first time in two years.

On the other hand, global sales of two-wheeled vehicles reached 19,543 thousand units in the calendar year (up 14.5% year-on-year), surpassing the previous year for the fourth consecutive year. The increase in sales was due to strong demand and infrastructure investment in India, the largest market. In Indonesia, sales reached 6,333 thousand units (up 1.5% year-on-year), surpassing the previous year for the fourth consecutive year.

In Japan, due to declines in Class 2 motor-driven cycles and mini-sized motorcycles, sales reached 320 thousand units in the calendar year (down 15.1% year-on-year), marking the second consecutive year of decline.

Under these circumstances, the Group is now in the second year of its Medium-Term Management Plan (FY2023-FY2027), and continues to work toward achieving its key measures of “Responding to the evolution of mobility,” “The strengthening of our management foundations,” and “Making our financial structure sounder.”

As a result, the consolidated financial results for the consolidated fiscal year under review are as follows: Consolidated net sales reached 349,353 million yen (up 1.5% year-on-year), consolidated operating profit reached 20,930 million yen (down 1.1% year-on-year), and consolidated ordinary profit reached 19,778 million yen (down 11.4% year-on-year) due to sluggish sales of four-wheeled vehicles in Japan and China, and strong sales of two-wheeled vehicles, mainly in India and Indonesia. Additionally, due to the recording of impairment losses of 1,607 million yen at production bases in China and Turkey, etc., profit before income taxes reached 18,091 million yen (down 2.3% year-on-year), and profit attributable to owners of the parent reached 11,864 million yen (down 13.7% year-on-year).

Operating results by business segment are presented as follows.

In the Transportation equipment-related operations, net sales were 323,344 million yen (up 0.0% year-on-year), as mentioned above, with segment profit of 18,160 million yen (down 2.4% year-on-year).

In the Information service operations, since in-vehicle embedded software development support business and IT engineering service such as AMO service for manufacturing, and system sales for the police and gas companies trended strongly, net sales were 22,486 million yen (up 23.7% year-on-year) and segment profit was 2,165 million yen (up 18.1% year-on-year).

In Other operations, overall segment sales were 7,660 million yen (up 18.9% year-on-year), and segment profit was 587 million yen (down 15.7% year-on-year), mainly due to increased sales in public works.

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets for the consolidated fiscal year under review amounted to 333,534 million yen, down 23,958 million yen from 357,492 million yen at the end of the previous fiscal year. Current assets amounted to 210,648 million yen with a decrease of 10,333 million yen, and non-current assets amounted to 122,886 million yen with a decrease of 13,624 million yen.

The decrease in current assets was mainly due to a decrease of 4,332 million yen in cash and deposits, and 3,365 million yen in accounts receivable - trade.

The decrease in non-current assets was mainly due to a decrease of 7,735 million yen in machinery, equipment and vehicles, and 2,097 million yen in investment securities resulting from the market valuation of stocks held.

Total liabilities for the consolidated fiscal year under review amounted to 222,648 million yen, down 12,263 million yen from 234,911 million yen at the end of the previous fiscal year. Current liabilities amounted to 152,281 million yen with a decrease of 16,293 million yen, while non-current liabilities amounted to 70,366 million yen with an increase of 4,030 million yen.

The decrease in current liabilities was due to a decrease of 15,515 million yen in short-term borrowings. The increase in non-current liabilities was due to an increase of 3,015 million yen in long-term borrowings. These changes were mainly attributed to the repayment of short-term borrowings to financial institutions and the refinancing of short-term borrowings with long-term borrowings through the arrangement of syndicated loans.

Total net assets for the consolidated fiscal year under review amounted to 110,886 million yen, down 11,695 million yen from 122,581 million yen at the end of the previous consolidated fiscal year. This was mainly due to an increase of 10,995 million yen in retained earnings, offset by a decrease of 11,640 million yen in capital surplus resulting from the retirement by purchase of Class-A and Class-C shares.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents on a consolidated basis (hereinafter referred to as “Cash”) for the consolidated fiscal year under review were 97,142 million yen at the end of the consolidated fiscal year under review, a decrease of 4,348 million yen from the end of the previous consolidated fiscal year.

Free cash flows for the consolidated fiscal year under review were a positive 31,141 million yen (a positive 36,267 million yen in the previous fiscal year).

(Cash flows from operating activities)

Cash provided by operating activities was 38,023 million yen (down 8.4% year-on-year). The main reasons were profit before income taxes of 18,091 million yen, a decrease in trade receivables of 1,428 million yen, a decrease in inventories of 3,684 million yen, and an increase in trade payables of 4,745 million yen.

(Cash flows from investing activities)

Cash used by investing activities was 6,881 million yen (5,241 million yen for the previous fiscal year). The main reason was the proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation, which amounted to 1,168 million yen, while there was also a payment of 8,785 million yen for purchase of property, plant and equipment.

(Cash flows from financing activities)

Cash used by financing activities was 33,924 million yen (13,793 million yen for the previous fiscal year). This was mainly due to expenditures of 12,893 million yen for repayment of short-term and long-term borrowings and expenditures of 20,096 million yen for the acquisition of treasury stock.

(4) Future Outlook

Regarding the full-year consolidated earnings for the fiscal year ending March 2026 (from April 1, 2025 to March 31, 2026), the Company forecasts consolidated sales of 340,000 million yen (down 2.7% year-on-year), consolidated operating profit of 18,000 million yen (down 14.0% year-on-year), consolidated ordinary profit of 15,000 million yen (down 24.2% year-on-year), and profit attributable to owners of parent of 10,000 million yen (down 15.7% year-on-year).

Please note that the impact of tariffs, which is currently unclear, has not been factored into this forecast.

(5) Basic Policy Concerning the Allocation of Profits and Dividends for the Fiscal Year Under Review and Next Fiscal Year

The Company has a basic policy of returning profit to shareholders stably while reinforcing its management foundation, and will strive to make an appropriate allocation of profits by taking its financial performance, the payout ratio, and circumstances around the Company into account.

Regarding retained earnings, the Company intends to return the favor to shareholders for their support by making better use of retained earnings for R&D, capital expenditure, overseas expansion, new business investment and others while reinforcing its financial structure, thereby connecting such efforts to future growth.

Taking the financial performance of the current fiscal year into consideration, the Company has decided to distribute a term-end dividend of ten yen per share for the consolidated fiscal year under review. For Class D stocks, a dividend of the amount prescribed by the Company's articles of incorporation will be distributed.

Regarding dividends for the next fiscal year, we currently plan to pay an annual dividend of fifteen yen per share.

2. Basic Approach to Selection of Accounting Standards

The Group's policy is to prepare the consolidated financial statements under the Japanese GAAP for the time being in consideration of the comparability of the consolidated financial statements between periods and between companies. Regarding the application of IFRS, our policy is to take appropriate measures after taking into consideration various domestic and international situations.

2. Consolidated Financial Statements and Key Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	102,245	97,912
Notes receivable - trade	1,597	1,646
Accounts receivable - trade	48,988	45,623
Contract assets	561	1,271
Merchandise and finished goods	10,842	9,681
Work in process	6,117	4,641
Raw materials and supplies	38,355	36,229
Other	12,309	13,767
Allowance for doubtful accounts	(34)	(125)
Total current assets	220,982	210,648
Non-current assets		
Property, plant and equipment		
Buildings and structures	86,893	86,298
Accumulated depreciation	(55,207)	(54,649)
Buildings and structures, net	31,685	31,648
Machinery, equipment and vehicles	187,275	180,437
Accumulated depreciation	(150,087)	(150,985)
Machinery, equipment and vehicles, net	37,187	29,451
Tools, furniture and fixtures	56,561	56,795
Accumulated depreciation	(51,525)	(52,055)
Tools, furniture and fixtures, net	5,035	4,740
Land	8,141	7,477
Leased assets	9,088	8,382
Accumulated depreciation	(4,981)	(4,185)
Leased assets, net	4,107	4,196
Construction in progress	8,137	6,365
Total property, plant and equipment	94,294	83,881
Intangible assets		
Software	749	722
Software in progress	35	74
Other	2,625	2,317
Total intangible assets	3,410	3,114
Investments and other assets		
Investment securities	18,298	16,201
Long-term loans receivable	2,647	2,529
Deferred tax assets	1,467	1,324
Long-term prepaid expenses	1,582	1,039
Retirement benefit asset	14,000	13,779
Other	808	1,016
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	38,805	35,890
Total non-current assets	136,510	122,886
Total assets	357,492	333,534

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,609	23,698
Short-term borrowings	114,184	98,668
Current portion of bonds payable	15	-
Lease liabilities	2,931	2,740
Accounts payable - other	12,799	11,416
Accrued expenses	2,304	2,446
Income taxes payable	3,665	2,309
Contract liabilities	329	309
Provisions		
Provision for bonuses	4,311	4,834
Provision for bonuses for directors (and other officers)	31	26
Provision for product warranties	986	1,240
Provision for loss on orders received	190	217
Provision for loss on litigation	566	-
Provision for settlement package	300	-
Provision for business restructuring	990	538
Total provisions	7,377	6,856
Other	3,360	3,835
Total current liabilities	168,575	152,281
Non-current liabilities		
Bonds payable	1,000	1,000
Long-term borrowings	48,866	51,882
Lease liabilities	3,991	6,025
Deferred tax liabilities	7,802	6,916
Retirement benefit liability	3,447	3,501
Asset retirement obligations	487	369
Other	739	671
Total non-current liabilities	66,335	70,366
Total liabilities	234,911	222,648
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	25,770	14,129
Retained earnings	45,241	56,237
Treasury shares	(603)	(604)
Total shareholders' equity	75,407	74,762
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,296	2,452
Foreign currency translation adjustment	23,157	20,243
Remeasurements of defined benefit plans	(1,223)	(1,760)
Total accumulated other comprehensive income	26,230	20,935
Non-controlling interests	20,943	15,188
Total net assets	122,581	110,886
Total liabilities and net assets	357,492	333,534

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	344,154	349,353
Cost of sales	291,677	295,067
Gross profit	52,477	54,286
Selling, general and administrative expenses	31,324	33,355
Operating profit	21,152	20,930
Non-operating income		
Interest income	1,583	1,954
Dividend income	534	550
Share of profit of entities accounted for using equity method	446	535
Foreign exchange gains	1,586	-
Rent fee	46	68
Other	1,110	1,692
Total non-operating income	5,308	4,801
Non-operating expenses		
Interest expenses	2,361	2,363
Share issuance costs	-	215
Foreign exchange losses	-	1,224
Commission expenses	54	586
Rent cost	143	132
Foreign withholding tax	721	501
Other	835	919
Total non-operating expenses	4,116	5,944
Ordinary profit	22,344	19,788
Extraordinary income		
Gain on sale of non-current assets	23	110
Gain on sale of investment securities	1,147	13
Gain on sale of shares of subsidiaries	-	419
Recoveries of written off receivables	-	225
Reversal of provision for settlements and other payments	-	300
Other	94	146
Total extraordinary income	1,265	1,216
Extraordinary losses		
Loss on sale of non-current assets	13	91
Impairment losses	343	1,607
Loss on retirement of non-current assets	178	190
Business restructuring expenses	286	650
Provision for business restructuring	418	275
Loss on net monetary position	3,040	-
Provision for loss on litigation	566	-
Other	245	98
Total extraordinary losses	5,092	2,913
Profit before income taxes	18,516	18,091
Income taxes - current	4,660	4,173
Income taxes - deferred	(1,803)	296
Total income taxes	2,856	4,469
Profit	15,659	13,621

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit attributable to non-controlling interests	1,918	1,757
Profit attributable to owners of parent	13,741	11,864

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	15,659	13,621
Other comprehensive income		
Valuation difference on available-for-sale securities	3,608	(1,830)
Foreign currency translation adjustment	13,767	(3,652)
Remeasurements of defined benefit plans, net of tax	2,252	(591)
Share of other comprehensive income of entities accounted for using equity method	209	394
Total other comprehensive income	19,839	(5,679)
Comprehensive income	35,499	7,941
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	32,220	6,569
Comprehensive income attributable to non-controlling interests	3,279	1,372

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,000	26,370	28,250	(603)	59,017
Cumulative effect of applying inflation accounting			3,383		3,383
Restated balance reflects cumulative effect of applying inflation accounting	5,000	26,370	31,634	(603)	62,401
Changes during period					
Dividends of surplus		(600)	(134)		(734)
Profit attributable to owners of parent			13,741		13,741
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(0)		0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	(600)	13,607	(0)	13,006
Balance at end of period	5,000	25,770	45,241	(603)	75,407

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	738	10,301	(3,288)	7,751	20,189	86,958
Cumulative effect of applying inflation accounting						3,383
Restated balance reflects cumulative effect of applying inflation accounting	738	10,301	(3,288)	7,751	20,189	90,342
Changes during period						
Dividends of surplus						(734)
Profit attributable to owners of parent						13,741
Purchase of treasury shares						(0)
Disposal of treasury shares						0
Net changes in items other than shareholders' equity	3,557	12,855	2,065	18,478	753	19,232
Total changes during period	3,557	12,855	2,065	18,478	753	32,239
Balance at end of period	4,296	23,157	(1,223)	26,230	20,943	122,581

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	5,000	25,770	45,241	(603)	75,407
Changes during period					
Issuance of new shares	5,000	5,000			10,000
Capital reduction	(5,000)	5,000			-
Dividends of surplus			(868)		(868)
Profit attributable to owners of parent			11,864		11,864
Purchase of treasury shares				(20,096)	(20,096)
Cancellation of treasury shares		(20,096)		20,096	-
Change in ownership interest of parent due to transactions with non-controlling interests		(1,544)			(1,544)
Net changes in items other than shareholders' equity					
Total changes during period	-	(11,640)	10,995	(0)	(645)
Balance at end of period	5,000	14,129	56,237	(604)	74,762

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,296	23,157	(1,223)	26,230	20,943	122,581
Changes during period						
Issuance of new shares						10,000
Capital reduction						-
Dividends of surplus						(868)
Profit attributable to owners of parent						11,864
Purchase of treasury shares						(20,096)
Cancellation of treasury shares						-
Change in ownership interest of parent due to transactions with non-controlling interests						(1,544)
Net changes in items other than shareholders' equity	(1,843)	(2,913)	(537)	(5,294)	(5,755)	(11,050)
Total changes during period	(1,843)	(2,913)	(537)	(5,294)	(5,755)	(11,695)

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at end of period	2,452	20,243	(1,760)	20,935	15,188	110,886

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	18,516	18,091
Depreciation	16,179	15,489
Impairment losses	343	1,607
Loss on retirement of non-current assets	178	190
Loss (gain) on sale of investment securities	(1,147)	(13)
Share of loss (profit) of entities accounted for using equity method	(446)	(535)
Increase (decrease) in allowance for doubtful accounts	(0)	92
Increase (decrease) in retirement benefit liability	254	174
Increase (decrease) in provision for bonuses	562	645
Increase (decrease) in provision for product warranties	(616)	261
Increase (decrease) in provision for business restructuring	358	(452)
Interest and dividend income	(2,118)	(2,504)
Interest expenses	2,361	2,363
Loss (gain) on sale of non-current assets	(9)	(19)
Loss on net monetary position	3,040	-
Decrease (increase) in trade receivables	5,302	1,428
Decrease (increase) in inventories	9,101	3,684
Decrease (increase) in retirement benefit asset	(1,164)	(393)
Decrease (increase) in other assets	299	(1,259)
Increase (decrease) in trade payables	(4,440)	4,745
Increase (decrease) in accounts payable - other	(2,348)	(3,145)
Increase (decrease) in accrued consumption taxes	33	2
Increase (decrease) in other liabilities	768	2,674
Subtotal	45,008	43,127
Interest and dividends received	2,373	2,682
Interest paid	(2,370)	(2,386)
Income taxes paid	(3,502)	(5,400)
Net cash provided by (used in) operating activities	41,509	38,023

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from investing activities		
Payments into time deposits	(134)	(701)
Proceeds from withdrawal of time deposits	900	662
Purchase of property, plant and equipment	(10,276)	(8,785)
Proceeds from sale of property, plant and equipment	200	700
Purchase of intangible assets	(103)	(69)
Purchase of investment securities	(47)	(22)
Proceeds from sale of investment securities	4,290	25
Loan advances	(1,454)	(1,394)
Proceeds from collection of loans receivable	1,362	1,521
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	-	1,168
Other, net	21	14
Net cash provided by (used in) investing activities	(5,241)	(6,881)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	17,073	(20,704)
Proceeds from long-term borrowings	2,000	52,642
Repayments of long-term borrowings	(27,167)	(44,831)
Redemption of bonds	(30)	(15)
Proceeds from issuance of shares	-	9,784
Repayments of lease liabilities	(2,538)	(2,512)
Purchase of treasury shares	(0)	(20,096)
Dividends paid	(734)	(868)
Dividends paid to non-controlling interests	(2,525)	(2,971)
Proceeds from sale and leaseback transactions	128	1,346
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(5,699)
Other, net	0	-
Net cash provided by (used in) financing activities	(13,793)	(33,924)
Effect of exchange rate change on cash and cash equivalents	4,714	(1,565)
Net increase (decrease) in cash and cash equivalents	27,189	(4,348)
Cash and cash equivalents at beginning of period	74,301	101,490
Cash and cash equivalents at end of period	101,490	97,142

(5) Notes to Consolidated Financial Statements

(Notes to assumptions for going concerns)

There are no applicable matters.

(Significant Accounting Policies for Preparing Consolidated Financial Statements)

1. Matters related to the scope of consolidation

- Consolidated subsidiaries: 40 companies
- Non-consolidated subsidiaries: 2 companies

The Company transferred the shares of MITSUBA LOGISTICS CO., LTD. during the fiscal year under review, and therefore has excluded the former subsidiary from the scope of consolidation.

2. Matters related to the application of the equity method

- Number of affiliated companies accounted for by the equity method: 2 companies
- Number of non-consolidated subsidiaries and affiliated companies not accounted for by the equity method: 4 companies

Regarding non-consolidated subsidiaries and affiliated companies that are not accounted for by the equity method, their profit (loss) and retained earnings are small and do not have a material effect on the consolidated financial statements as a whole.

3. Matters related to the business year of consolidated subsidiaries

Of consolidated subsidiaries, the closing day of Corporacion Mitsuba de Mexico, S.A. de C.V. and nine other companies is December 31.

To prepare the consolidated financial statements, the Company uses financial statements based on the provisional settlement of accounts carried out as of March 31, which is the consolidated closing date. The last day of the business year of other consolidated subsidiaries is the same as the consolidated closing date.

(Changes in accounting policies)

The "Accounting Standards for Corporate Taxes, Resident Taxes, and Business Taxes, etc." (ASBJ Statement No. 27, October 28, 2022. Hereinafter referred to as the "2022 Revised Accounting Standards") and other standards have been applied from the beginning of this consolidated fiscal year.

Regarding the amendments to the classification of corporate taxes (taxation of other comprehensive income), we follow the transitional treatment set out in the proviso of Paragraph 20-3 of the 2022 Amended Accounting Standards and the transitional treatment set out in the proviso of Paragraph 65-2 (2) of the "Guidelines for the Implementation of Accounting Standards for Tax-Effect Accounting" (Corporate Accounting Standards Implementation Guideline No. 28, October 28, 2022. hereinafter referred to as the "2022 Amended Implementation Guideline"). The change in accounting policy has no impact on the consolidated financial statements.

In addition, the 2022 revised application guidelines for the amendments related to the review of the treatment in consolidated financial statements when profits and losses on sales of subsidiary shares, etc. between consolidated companies are deferred for tax purposes have been applied from the beginning of this consolidated fiscal year. The change in accounting policy has been applied retroactively, and the consolidated financial statements for this consolidated fiscal year are retroactively applied. The change in accounting policy has no impact on the consolidated financial statements for this consolidated fiscal year.

(Changes in Presentation Method)

(Consolidated Balance Sheet)

"Long-term accounts payable - other," which was listed separately under "Non-current liabilities" in the previous consolidated fiscal year, is presented under "Other" from the consolidated fiscal year under review because its financial significance has decreased. In order to reflect this change in presentation method, the consolidated financial statements for the previous consolidated fiscal year have been rearranged.

As a result, "Long-term accounts payable – other" of 1 million yen and "Other" of 738 million yen, which were shown under "Non-current liabilities" in the consolidated balance sheet for the previous consolidated fiscal year, were reclassified as "Other" of 739 million yen.

(Consolidated Statement of Income)

In the previous consolidated fiscal year, "fees paid" were included in "other" under "non-operating expenses," but due to their increased importance, they will be presented separately from this consolidated fiscal year. In order to reflect this change in presentation, the consolidated financial statements for the previous consolidated fiscal year have been reclassified.

As a result, the 889 million yen presented as "Other" under "Non-operating expenses" in the consolidated statements of income for the previous consolidated fiscal year has been reclassified as "Commissions paid" of 54 million yen and "Other" of 835 million yen.

"Reversal of provision for product warranties", which was separately listed under "Extraordinary income" in the previous consolidated fiscal year, was included in "Other" from the consolidated fiscal year under review because its monetary significance has declined. In order to reflect this change in presentation method, the consolidated financial statements for the previous consolidated fiscal year have been rearranged.

As a result, "Reversal of provision for product warranties" of 72 million yen and "Other" of 22 million yen, which were shown under "Extraordinary income" in the consolidated statement of income for the previous consolidated fiscal year, were reclassified as "Other" of 94 million yen.

(Consolidated Statement of Changes in Equity)

On June 28, 2024, the Company acquired and cancelled 10,000 Class A shares and 5,000 Class C shares held by Japan Industrial Solutions Fund II, resulting in a decrease of 20,096 million yen in capital surplus. In addition, on the same date, the Company issued Class D shares through a third-party allotment to The Development Bank of Japan, Inc. and The Bank of Yokohama, Ltd., which resulted in an increase of 5 billion yen in share capital and 5 billion yen of capital reserve. However, on the same date, pursuant to the provisions of Article 447, paragraphs 1 through 3 and Article 448, paragraphs 1 through 3 of the Companies Act, the Company also reduced its share capital of 5 billion yen and capital reserve of 5 billion yen and transferred the entire amount of each to other capital surplus, resulting in an increase of 10 billion yen in other capital surplus. As a result, the capital surplus amounted to 14,129 million yen at the end of the consolidated fiscal year under review.

(Segment Information, etc.)

Segment information

1. Overview of reportable segments

The reportable segments of the Company are components of the Company for which separate financial information is available and which are subject to regular review by the Company's Board of Directors for making decisions on the allocation of management resources and assessing performance.

The Company sets three operations as reportable segments: "Transportation equipment-related operations", "Information service operations" and "Other operations."

Main finished goods and services of each segment

Transportation equipment-related operations..... Wiper systems, starter motors, fan motors, power window motors

Information service operations..... System integration services, System development and software development

Other operations..... Development and sale of automotive parts and accessories, consignment business, electrical works, and civil engineering and construction

2. Calculation method of amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

Accounting treatment methods for reportable segments are almost identical to the explanation of "Significant accounting policies for preparing consolidated financial statements."

Profit in reportable segments is based on operating profit.

Inter-segment revenues and transfers are based on market prices.

3. Information on the amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)

(Unit: Millions of yen)

	Reportable segment			Total	Adjustments (Note 1)	Amount reported on consolidated financial statements (Note 2)
	Transportation equipment- related operations	Information service operations	Other operations			
Net sales						
Sales to outside customers	322,719	16,213	5,221	344,154	-	344,154
Inter-segment sales or transfers	578	1,958	1,222	3,759	(3,759)	-
Total	323,298	18,171	6,444	347,914	(3,759)	344,154
Segment profit	18,614	1,834	697	21,145	7	21,152
Segment assets	333,363	21,872	14,601	369,836	(12,343)	357,492
Segment liabilities	224,280	9,545	11,684	245,509	(10,598)	234,911
Other items						
Depreciation	15,207	843	128	16,179	-	16,179
Investments in companies accounted for by equity-method	3,509	-	-	3,509	-	3,509
Increase in property, plant and equipment and intangible assets	6,703	3,630	40	10,374	(4)	10,370

(Notes) 1. Adjustments are presented as follows.

(1) The (3,759) million-yen adjustment in net sales is an amount in elimination of inter-segment transactions.

(2) The 7 million-yen adjustment in segment profit is an amount in elimination of inter-segment transactions.

(3) The (12,343) million-yen adjustment in segment assets is an amount in elimination of inter-segment receivables.

(4) The (10,598) million-yen adjustment in segment liabilities is an amount in elimination of inter-segment payables.

(5) The (4) million-yen adjustment in increases in property, plant and equipment and intangible assets is an amount in elimination of inter-segment transactions.

2. Segment profit is adjusted to be consistent with operating profit in the consolidated financial statements.

Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Reportable segment			Total	Adjustments (Note 1)	Amount reported on consolidated financial statements (Note 2)
	Transportation equipment- related operations	Information service operations	Other operations			
Net sales						
Sales to outside customers	322,844	20,347	6,161	349,353	-	349,353
Inter-segment sales or transfers	499	2,139	1,498	4,137	(4,137)	-
Total	323,344	22,486	7,660	353,491	(4,137)	349,353
Segment profit	18,160	2,165	587	20,913	16	20,930
Segment assets	304,769	24,749	10,846	340,365	(6,830)	333,534
Segment liabilities	208,882	11,091	7,761	227,735	(5,087)	222,648
Other items						
Depreciation	14,048	1,314	126	15,489	-	15,489
Investments in companies accounted for by equity-method	4,031	-	-	4,031	-	4,031
Increase in property, plant and equipment and intangible assets	8,299	498	72	8,870	(7)	8,863

(Notes) 1. Adjustments are presented as follows.

- (1) The (4,137) million yen adjustment in net sales is an amount in elimination of inter-segment transactions.
- (2) The 16 million yen adjustment in segment profit is an amount in elimination of inter-segment transactions.
- (3) The (6,830) million yen adjustment in segment assets is an amount in elimination of inter-segment receivables.
- (4) The (5,087) million yen adjustment in segment liabilities is an amount in elimination of inter-segment payables.
- (5) The (7) million yen adjustment in increases in property, plant and equipment and intangible assets is an amount in elimination of inter-segment transactions.

2. Segment profit is adjusted to be consistent with operating profit in the consolidated financial statements.

(Matters Related to Revenue Recognition)

1. Information on disaggregation of revenue from contracts with customers

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

(Unit: Millions of yen)

	Reportable segment			Total
	Transportation equipment-related operations	Information service operations	Other operations	
Japan	88,190	16,213	5,221	109,625
Americas	85,750	—	—	85,750
Europe	26,216	—	—	26,216
Asia	77,721	—	—	77,721
China	44,840	—	—	44,840
Revenue from contracts with customers	322,719	16,213	5,221	344,154
Other revenue	—	—	—	—
Sales to outside customers	322,719	16,213	5,221	344,154

Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Reportable segment			Total
	Transportation equipment-related operations	Information service operations	Other operations	
Japan	87,618	20,347	6,161	114,127
Americas	90,203	-	-	90,203
Europe	23,323	-	-	23,323
Asia	87,149	-	-	87,149
China	34,549	-	-	34,549
Revenue from contracts with customers	322,844	20,347	6,161	349,353
Other revenue	-	-	-	-
Sales to outside customers	322,844	20,347	6,161	349,353

(Per share information)

Item	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)
Net assets per share (yen)	1,922.39	1,901.58
Basic earnings per share (yen)	293.62	251.86
Diluted earnings per share (yen)	162.19	216.46

(Note) Basic earnings per share and diluted earnings per share were calculated on the following basis.

Item	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	13,741	11,864
Amount that does not belong to shareholders of common stocks (millions of yen)	600	591
(Of which, preferred dividends (millions of yen))	(600)	(591)
Profit attributable to owners of parent related to common stocks (millions of yen)	13,141	11,272
Average number of common stocks during the period (thousands of shares)	44,755	44,755
Diluted earnings per share		
Adjustments in profit attributable to owners of parent (millions of yen)	600	591
(Of which, preferred dividends (millions of yen))	(600)	(591)
Number of increased common stocks (thousands of shares)	39,969	10,054
(Of which, class stocks (thousands of shares))	(39,969)	(10,054)

(Important Subsequent Events)

There are no applicable matters.