

2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	30.00	–	30.00	60.00
Year ending March 31, 2025	–	34.00	–		
Year ending March 31, 2025 (forecast)				34.00	68.00

Note: Revision from the most recent announcement of cash dividends forecasts: None

3. Consolidated performance forecast for the year ending March 31, 2025 (April 1, 2024-March 31, 2025)

(Percentages show year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	39,800	1.5	1,720	4.8	2,300	15.4	1,520	51.0	115.41

Note: Revision from the most recent announcement of performance forecasts: Yes

For details on the revision of the consolidated financial results forecast, please see the “Notice of Revision to Financial Results Forecast” announced today (February 7, 2025).

*Notes

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

(2) Application of particular accounting procedures to the preparation of quarterly financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to revisions in accounting standards, etc.: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

Note: For details, please see “(3) Notes to quarterly consolidated financial statements, *Changes in accounting policies*” under “2. Quarterly consolidated financial statements and principal notes” on page 8 of the attachment.

(4) Number of shares issued (common shares)

1) Number of shares issued at the end of the period (including treasury shares):	December 31, 2024:	13,190,960 shares
	March 31, 2024:	13,478,960 shares
2) Number of treasury shares at the end of the period:	December 31, 2024:	99,668 shares
	March 31, 2024:	239,678 shares
3) Average number of shares during the period:	Nine months ended December 31, 2024:	13,170,853 shares
	Nine months ended December 31, 2023:	13,452,731 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

*Guide to appropriate use of performance forecasts and other notes

Notes on forward-looking descriptions, etc.

Forward-looking descriptions including performance forecasts in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and are not a guarantee on their realization. Actual results, etc. may differ significantly due to various factors. For more notes on the use of performance forecasts, please see “(3) Explanation of consolidated financial results forecast and other forward-looking information” under “1. Overview of operating results, etc.” on page 3 of the attachment.

Table of contents to the attachment

1. Overview of operating results, etc.	2
(1) Overview of operating results for the nine months ended December 31, 2024	2
(2) Overview of financial position for the nine months ended December 31, 2024	3
(3) Explanation of consolidated financial results forecast and other forward-looking information	3
2. Quarterly consolidated financial statements and principal notes	4
(1) Quarterly consolidated balance sheets.....	4
(2) Quarterly consolidated statements of income and comprehensive income	6
Quarterly consolidated statements of income for the nine months ended December 31, 2024.....	6
Quarterly consolidated statements of comprehensive income for the nine months ended December 31, 2024.....	7
(3) Notes to quarterly consolidated financial statements	8
<i>Changes in accounting policies</i>	8
<i>Notes on segment information, etc.</i>	8
<i>Notes in case of significant changes in shareholders' equity</i>	9
<i>Notes on going concern assumption</i>	9
<i>Notes to consolidated statements of cash flows</i>	9
<i>Notes on significant subsequent events</i>	9

1. Overview of operating results, etc.

(1) Overview of operating results for the nine months ended December 31, 2024

During the nine months ended December 31, 2024, while the overall global economy continued its gradual recovery, the outlook remained uncertain owing to the ongoing war in Ukraine, the escalating conflict in the Middle East, the slowdown of the Chinese economy, and other factors.

In the automotive industry in which OHASHI TECHNICA INC. (the “Company”) and its subsidiaries (collectively, the “Group”) operate, sales remained strong in North America, but global production volume at Japanese automobile manufacturers declined year on year due to further expansion of EV sales in China led by local manufacturers and continued production cutbacks at some manufacturers in Japan caused by factors such as certification irregularities.

Under these circumstances, the Group has extended the period of its four-year Medium-Term Business Plan: Mission 2025, which started in the fiscal year ended March 31, 2023, by two years as Medium-Term Business Plan: Mission 2025 + 2. Accordingly, the Group has continued to promote the pursuit of economic value and the creation of social value—while also working on realizing efficient management that is more conscious of cost of capital.

Consequently, in the nine months ended December 31, 2024, consolidated net sales amounted to 30,225 million yen (up 4.2% year on year) due to the contribution of new orders to sales in Japan and North America and the positive effect of foreign currency translation resulting from the yen’s depreciation, despite the impact of the cutbacks in production at commercial vehicle manufacturers and some passenger car manufacturers in Japan, as well as further production cutbacks in China. On the other hand, consolidated operating profit was 1,421 million yen (up 23.8% year on year) mainly due to overall higher sales and an improved gross profit margin resulting from revised prices, despite the continued impact of surging purchase and raw material prices and the Chinese business. Ordinary profit was 1,815 million yen (up 28.9% year on year), and profit attributable to owners of parent was 1,234 million yen (up 110.7% year on year).

Operating results by segment are as described below. (Segment net sales are net sales to external customers, and segment profit is adjusted with operating profit on the quarterly consolidated statements of income.)

[Japan]

Despite the contribution of new orders to sales, due to the impact of the production cutbacks at automobile manufacturers that are our major clients, net sales were 14,506 million yen (down 0.1% year on year). Segment profit was 733 million yen (up 26.0% year on year) mainly due to an improved gross profit margin resulting from revised prices.

[Americas]

Due to the solid production in general at automobile manufacturers that are our major clients as well as the contribution of new orders to sales and the positive effect of foreign currency translation resulting from the yen’s depreciation, net sales were 10,441 million yen (up 20.9% year on year). Segment profit was 430 million yen (up 58.3% year on year) due to higher sales.

[China]

While local manufacturers have increased their share of the EV market, production by Japanese automobile manufacturers has continued to decline, thus resulting in net sales of 1,978 million yen (down 22.8% year on year). Segment loss was 113 million yen (segment loss of 57 million yen in the nine months ended December 31, 2023) due to the significant impact of lower sales.

[ASEAN]

As automobile manufacturers that are our major clients continued to cut production due to sluggish automobile sales caused by the slowdown in the Thai economy and stricter auto loan policies, net sales were 2,181 million yen (down 3.8% year on year). Segment profit was 275 million yen (up 3.4% year on year) due to improved production efficiency and the positive effect of foreign currency translation resulting from the yen’s depreciation.

[Europe]

Despite production cutbacks at automobile manufacturers that are our major clients, due to the contribution of new orders to sales, and the positive effect of foreign currency translation resulting from the yen's depreciation, net sales were 1,117 million yen (up 10.2% year on year). Segment profit was 41 million yen (up 125.9% year on year) mainly due to revised prices and lower purchase prices.

[Taiwan]

OHASHI TECHNICA TAIWAN CO., LTD., which transacts business with companies of the Group only, has no net sales to external customers. Segment profit was 32 million yen (up 41.7% year on year) due to increased exports for companies of the Group.

(2) Overview of financial position for the nine months ended December 31, 2024

At the end of the nine months ended December 31, 2024, assets amounted to 47,099 million yen, up 577 million yen from the end of the previous fiscal year. This was mainly due to increases in merchandise and finished goods and property, plant and equipment, despite a decrease in notes and accounts receivable - trade, and contract assets.

Liabilities amounted to 9,210 million yen, down 51 million yen from the end of the previous fiscal year. This was mainly due to decreases in notes and accounts payable – trade and income taxes payable, despite an increase in accrued consumption taxes, which are included in other current liabilities.

Net assets amounted to 37,888 million yen, up 628 million yen from the end of the previous fiscal year. This was mainly due to the recording of profit attributable to owners of parent and an increase in foreign currency translation adjustment, despite the payment of dividends and acquisition of treasury shares. Treasury shares amounted to 184 million yen, with an increase of 266 million yen due to new acquisition but a decrease of 499 million yen due to cancellation of existing holdings.

(3) Explanation of consolidated financial results forecast and other forward-looking information

Considering the consolidated financial results for the nine months ended December 31, 2024 and the future financial results forecast, the consolidated financial results forecast for the year ending March 31, 2025 has been revised from the forecast published on May 14, 2024.

For details, please see the “Notice of Revision to Financial Results Forecast” published today (February 7, 2025).

2. Quarterly consolidated financial statements and principal notes

(1) Quarterly consolidated balance sheets

(Thousand yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	20,797,663	20,842,380
Notes and accounts receivable - trade, and contract assets	8,261,877	7,725,745
Merchandise and finished goods	5,200,299	5,523,053
Work in process	701,277	796,348
Raw materials and supplies	1,005,803	1,011,760
Other	561,954	694,160
Allowance for doubtful accounts	(17,673)	(20,438)
Total current assets	36,511,203	36,573,009
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,701,791	5,816,657
Accumulated depreciation	(3,321,541)	(3,459,761)
Buildings and structures, net	2,380,250	2,356,895
Machinery, equipment and vehicles	10,806,126	11,566,916
Accumulated depreciation	(8,788,151)	(8,970,771)
Machinery, equipment and vehicles, net	2,017,974	2,596,144
Tools, furniture and fixtures	4,115,798	4,189,127
Accumulated depreciation	(3,729,023)	(3,807,287)
Tools, furniture and fixtures, net	386,774	381,839
Land	1,400,675	1,432,292
Construction in progress	554,916	403,702
Total property, plant and equipment	6,740,590	7,170,875
Intangible assets		
Software	69,651	72,493
Other	54,916	54,970
Total intangible assets	124,568	127,463
Investments and other assets		
Investment securities	2,545,946	2,591,200
Deferred tax assets	104,372	138,760
Other	523,764	530,807
Allowance for doubtful accounts	(28,355)	(33,000)
Total investments and other assets	3,145,728	3,227,767
Total non-current assets	10,010,888	10,526,106
Total assets	46,522,091	47,099,116

(Thousand yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,523,699	3,254,224
Electronically recorded obligations - operating	3,238,798	3,307,420
Income taxes payable	278,995	177,527
Provision for bonuses	202,415	183,259
Provision for bonuses for directors (and other officers)	67,700	47,000
Other	916,848	1,143,531
Total current liabilities	8,228,457	8,112,962
Non-current liabilities		
Deferred tax liabilities	135,065	169,588
Retirement benefit liability	649,918	662,846
Other	248,428	265,188
Total non-current liabilities	1,033,412	1,097,624
Total liabilities	9,261,870	9,210,587
Net assets		
Shareholders' equity		
Share capital	1,825,671	1,825,671
Capital surplus	1,611,240	1,611,240
Retained earnings	28,146,968	28,035,830
Treasury shares	(416,710)	(184,087)
Total shareholders' equity	31,167,170	31,288,655
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	820,355	829,102
Foreign currency translation adjustment	4,770,528	5,228,339
Remeasurements of defined benefit plans	49,767	43,294
Total accumulated other comprehensive income	5,640,652	6,100,736
Non-controlling interests	452,399	499,138
Total net assets	37,260,221	37,888,529
Total liabilities and net assets	46,522,091	47,099,116

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income for the nine months ended December 31, 2024

(Thousand yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Net sales	28,998,895	30,225,529
Cost of sales	23,292,343	23,838,581
Gross profit	5,706,552	6,386,947
Selling, general and administrative expenses	4,557,731	4,965,165
Operating profit	1,148,821	1,421,782
Non-operating income		
Interest income	79,523	233,950
Dividend income	45,805	68,331
Share of profit of entities accounted for using equity method	42,948	11,413
Foreign exchange gains	—	7,650
Gain on sale of scraps	55,607	70,207
Subsidy income	24,443	667
Other	22,391	24,909
Total non-operating income	270,720	417,130
Non-operating expenses		
Interest expenses	7,026	4,539
Foreign exchange losses	2,625	—
Provision of allowance for doubtful accounts	—	2,589
Compensation expense	—	13,494
Other	1,080	2,315
Total non-operating expenses	10,732	22,938
Ordinary profit	1,408,809	1,815,974
Extraordinary income		
Gain on sale of non-current assets	2,170	622
Total extraordinary income	2,170	622
Extraordinary losses		
Loss on retirement of non-current assets	1,352	2,093
Loss on fund leakage at foreign subsidiary	313,019	11,775
Total extraordinary losses	314,372	13,868
Profit before income taxes	1,096,607	1,802,727
Income taxes - current	515,665	550,084
Income taxes - deferred	(14,463)	2,609
Total income taxes	501,201	552,694
Profit	595,405	1,250,033
Profit attributable to non-controlling interests	9,516	15,328
Profit attributable to owners of parent	585,888	1,234,704

Quarterly consolidated statements of comprehensive income for the nine months ended December 31, 2024

(Thousand yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	595,405	1,250,033
Other comprehensive income		
Valuation difference on available-for-sale securities	93,194	9,707
Foreign currency translation adjustment	2,105,503	480,661
Remeasurements of defined benefit plans, net of tax	(5,840)	(6,473)
Share of other comprehensive income of entities accounted for using equity method	658	(960)
Total other comprehensive income	2,193,517	482,935
Comprehensive income	2,788,923	1,732,968
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,742,010	1,694,788
Comprehensive income attributable to non-controlling interests	46,912	38,180

(3) Notes to quarterly consolidated financial statements

Changes in accounting policies

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

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; hereinafter “Revised Accounting Standard 2022”) and other standards from the beginning of the three months ended June 30, 2024.

With respect to the amendment related to the classification for recording current income taxes (taxes on other comprehensive income), the Company follows the transitional treatment provided for in the proviso to paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment provided for in the proviso to paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022). This change in accounting policies has no impact on the quarterly consolidated financial statements.

Notes on segment information, etc.

I. For the nine months ended December 31, 2023

1. Information on amounts of net sales and profit (loss) by reportable segment

	Reportable segments							Adjustments (Note) 1	Consolidation (Note) 2
	Japan	Americas	China	ASEAN	Europe	Taiwan	Total		
Net sales									
Net sales to external customers	14,516,275	8,638,023	2,562,281	2,268,115	1,014,199	–	28,998,895	–	28,998,895
Inter-segment sales or transfers	1,870,575	7,046	69,693	69,240	–	874,478	2,891,032	(2,891,032)	–
Total	16,386,850	8,645,069	2,631,974	2,337,356	1,014,199	874,478	31,889,927	(2,891,032)	28,998,895
Segment profit (loss)	582,506	272,188	(57,980)	266,438	18,544	23,233	1,104,931	43,890	1,148,821

Notes: 1. Adjustment of segment profit (loss) of 43,890 thousand yen includes inter-segment eliminations of (14,501) thousand yen and inventory adjustment of 58,391 thousand yen.

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

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

II. For the nine months ended December 31, 2024

1. Information on amounts of net sales and profit (loss) by reportable segment

	Reportable segments							Adjustments (Note) 1	Consolidation (Note) 2
	Japan	Americas	China	ASEAN	Europe	Taiwan	Total		
Net sales									
Net sales to external customers	14,506,268	10,441,843	1,978,287	2,181,719	1,117,410	–	30,225,529	–	30,225,529
Inter-segment sales or transfers	1,695,971	24,932	52,359	89,176	–	955,986	2,818,425	(2,818,425)	–
Total	16,202,239	10,466,775	2,030,646	2,270,895	1,117,410	955,986	33,043,954	(2,818,425)	30,225,529
Segment profit (loss)	733,897	430,847	(113,315)	275,539	41,882	32,928	1,401,780	20,001	1,421,782

Notes: 1. Adjustment of segment profit (loss) of 20,001 thousand yen includes inter-segment eliminations of 1,358 thousand yen and inventory adjustment of 18,643 thousand yen.

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

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Not applicable.

Notes in case of significant changes in shareholders' equity

The Company acquired 64,700 treasury shares based on the resolution made at the meeting of the Board of Directors held on November 8, 2023 in the nine months ended December 31, 2024. The Company also acquired 82,900 treasury shares and, on November 29, 2024, canceled 288,000 treasury shares, based on the resolution made at the meeting of the Board of Directors held on November 12, 2024. Accordingly, retained earnings decreased by 499,694 thousand yen, and treasury shares decreased by 233,371 thousand yen in the nine months ended December 31, 2024.

As a result, retained earnings and treasury shares stood at 28,035,830 thousand yen and 184,087 thousand yen, respectively, as of December 31, 2024.

Notes on going concern assumption

Not applicable.

Notes to consolidated statements of cash flows

Quarterly consolidated statements of cash flows for the nine months ended December 31, 2024 have not been prepared. Depreciation (including amortization of intangible assets) for the nine months ended December 31, 2024 is as follows.

	(Thousand yen)	
	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Depreciation	657,614	711,465

Notes on significant subsequent events

(Transaction, etc. under common control)

The Company resolved to implement an absorption-type merger of OHASHI LOGISTICS, INC., a consolidated subsidiary (wholly owned subsidiary) of the Company, which shall become effective on April 1, 2025, at the meeting of the Board of Directors held on January 31, 2025 and entered into an absorption-type merger agreement as of the same date.

(1) Purpose of business combination

OHASHI LOGISTICS, INC. is a wholly owned subsidiary of the Company and engaged in warehouse and logistics operations for the Company's domestic business. The Company has decided to implement an absorption-type merger of OHASHI LOGISTICS, INC. with an aim to strengthen and streamline the organizational operation structure within the Group.

(2) Outline of transaction

(i) Name and business of the company to be combined

Name: OHASHI LOGISTICS, INC. (consolidated subsidiary of the Company)

Business: Logistics business

(ii) Date of business combination

April 1, 2025 (scheduled)

(iii) Legal form of business combination

An absorption-type merger in which the Company is the surviving company and OHASHI LOGISTICS, INC. is the dissolving company.

(iv) Name of the company after combination

OHASHI TECHNICA INC.

(3) Outline of the accounting treatment to be implemented

The transaction will be treated as a common control transaction in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).