



ADVANEX INC.

Flash Report (Consolidated Basis)

Results for FY2026 First quarter(three months ended June 30, 2025)

August 8, 2025

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 Supplementary explanation material for quarterly financial results
 Holding of presentation meeting for quarterly financial results

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 Yes
 No

1. Performance (April 1, 2025 through June 30, 2025) (Figures less than ¥1 million have been omitted.)

(1) Consolidated operating results (For the three months ended June 30.)

Percentages indicate year-on-year increase (decrease)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	7,258	6.2	407	268.2	354	-	397	495.5
Three months ended June 30, 2024	6,834	8.3	110	(20.9)	(32)	-	66	(84.2)

[Note] Comprehensive income: Three months ended June 30,2025 419 million yen
 Three months ended June 30,2024 664 million yen

	Net income per share	Net income per share after dilution
	Yen	Yen
Three months ended June 30, 2025	96.86	96.72
Three months ended June 30, 2024	16.26	16.24

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	29,668	8,430	28.4
As of March 31,2025	28,505	8,093	28.4

[Reference] Total shareholder's equity: 8,422 million yen at June 30, 2025 8,084 million yen at March 31, 2025

2. Dividends

Record date	Dividends per share				
	First quarter -end dividends	Second quarter -end dividends	Third quarter -end dividends	Year-end dividends	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	--	--	--	20.00	20.00
Year ended March 31, 2026	--	--	--	--	--
Year ended March 31, 2026 (forecast)	--	--	--	20.00	20.00

[Note] Revisions to the latest forecast of cash dividends: No

3. Forecast of consolidated results for FY2026 (April 1, 2025 through March 31, 2026)

Percentages indicate year-on-year increase (decrease)

	Net sales		Operating income		Ordinary income		Net income (loss)		Net income (loss) per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ended March 31, 2026	29,000	1.6	1,000	(9.9)	700	310.2	300	-	73.07

[Note] Revisions to the latest forecasts of consolidated results: Yes

4. Others

- (1) Significant changes in subsidiaries during the subject fiscal year: No
Additions: 0 Deletions: 0
- (2) Application of simplified accounting and specific accounting: No
- (3) Changes in accounting principles, procedures, presentations, etc.
 - a. Changes associated with revision of accounting standards, etc: No
 - b. Changes other than a.: No
 - c. Change in accounting estimate: No
 - d. Restatement: No
- (4) Number of shares outstanding (Common stock)
 - a. Number of shares outstanding at end of period (Including treasury stock)
 - 4,153,370 shares at June 30, 2025
 - 4,153,370 shares at March 31, 2025
 - b. Number of shares of treasury stock at end of period
 - 47,625 shares at June 30, 2025
 - 47,469 shares at March 31, 2025
 - c. Average number of shares issued and outstanding in each period:
 - 4,105,829 shares at June 30, 2025
 - 4,106,543 shares at June 30, 2024

[Notes]

1. Explanation for related to implementation of the quarterly review procedures
When disclosing this Brief Report of Financial Results, the review procedures for quarterly financial statements under the Financial Instruments and Exchange Law have not been brought to completion.
2. Explanation for appropriate use of financial forecasts and other special remarks
The above-mentioned forecasts are based on the information available as of the date when this information is disclosed, as well as on the assumptions as of the disclosing date of this information related with unpredictable parameters that are probable to affect our future business performances. Our actual performance is likely to differ greatly from these estimates depending on various factors in the future.

(Attachment)

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1. Qualitative Information on Financial Results For This Quarter

(1) Explanation of Business Results

We have operations in 12 countries, including Japan, the Americas, Europe, and Asia. We manufacture and sell metal-processing components, including precision springs, primarily for automotive, healthcare, OA equipment, and aerospace applications.

In the first quarter of the fiscal year under review, the business climate remained unpredictable on the whole due to a number of uncertain factors, including the impact of mutual tariffs by the U.S. government, the consequent impact on the global economy, foreign exchange rates, and geopolitical risks. Nevertheless, we continued to see steady growth in automotive and OA equipment sales, and sales to healthcare, mainly in Europe and the United States, remained favorable.

Under these circumstances, for the same period, net sales increased 6.2% year on year to ¥7,258 million, operating income increased 268.2% year on year to ¥407 million, ordinary income was ¥354 million (compared with a loss of ¥32 million for the same quarter of the previous year), and profit attributable to owners of parent increased 495.5% year on year to ¥397 million.

Results by business segment are as follows.

[Japan]

Net sales increased 3.3% compared with the same quarter of the previous year to 2,314 million yen and segment income increased 157.2% to 52 million yen due to steady sales for automotive applications and strong sales for precision equipment, infrastructure, and housing equipment.

[Americas]

Net sales increased 18.4% from the same quarter of the previous year to 1,463 million yen and segment income was 223 million yen (compared with a loss of 75 million yen in the same quarter of the previous year) due to continued expansion in the medical sector as improvements were made at the Mexico plant.

[Europe]

Net sales increased 1.7% from the same quarter of the previous year, to ¥868 million. However, segment loss was ¥19 million (compared with operating income of ¥22 million in the same quarter of the previous year) due to the inflation of fixed costs, etc., including increases in personnel expenses and energy costs.

[Asia]

Net sales increased 4.3% compared with the same quarter of the previous fiscal year to 2,611 million yen and segment income increased 10.4% to 149 million yen due to continued strong sales for automotive and OA equipment.

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the first quarter of the current fiscal year increased by 1,163 million yen from the end of the previous fiscal year to 29,668 million yen.

In the Assets section, total current assets increased 858 million yen to 15,512 million yen. This was mainly due to increases of 378 million yen in cash and deposits and 345 million yen in notes and accounts receivable-trade. Total non-current assets increased 304 million to 14,156 million.

This was mainly due to increases in property, plant and equipment and intangible assets.

(Liabilities)

In the Liabilities section, total liabilities were 21,238 million yen, an increase of 825 million yen from the end of the previous fiscal year. This was mainly due to an increase of 829 million yen in borrowings.

(Net assets)

Net assets totaled 8,430 million yen, an increase of 337 million yen from the end of the previous fiscal year. This was mainly due to an increase in retained earnings of ¥315 million resulting from quarterly net income attributable to owners of the parent of ¥397 million.

As a result, the equity ratio was 28.4% (28.4% at the end of the previous fiscal year).

(3)Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

Consolidated earnings forecasts for the fiscal year ending March 2026 are expected to exceed the previous forecasts in terms of sales and profits, as automotive and OA equipment continued to perform well, as healthcare-related products, mainly in Europe and the United States, and unprofitable bases such as the Mexican Plant are improving. As a result, each of the items of net sales, operating income, ordinary income, and profit attributable to owners of parent has been upwardly revised from the previous forecast.

3. QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(1) QUARTERLY CONSOLIDATED BALANCE SHEETS

(Amount: thousands of yen)

	FY2026 first quarter (As of June 30,2025)	FY2025 (As of March 31,2025)
ASSETS		
Current assets:		
Cash and time deposits	5,002,553	4,623,849
Trade notes and accounts receivable	5,407,670	5,062,345
Finished goods	1,930,064	1,876,782
Work in process	913,688	948,475
Raw materials and stored items	1,551,808	1,504,844
Other current assets	728,070	666,759
Allowance for doubtful accounts	(21,523)	(29,181)
Total current assets	15,512,332	14,653,876
Noncurrent assets:		
Tangible noncurrent assets		
Buildings and structures	4,140,997	4,256,868
Machinery and equipment	4,216,946	4,155,107
Land	1,547,275	1,553,349
Others	3,132,055	2,813,359
Total tangible noncurrent assets	13,037,275	12,778,684
Intangible noncurrent assets	294,627	240,435
Investments and other assets	824,573	832,777
Total noncurrent assets	14,156,477	13,851,897
Total assets	29,668,810	28,505,773

(Amount: thousands of yen)

	FY2026 first quarter (As of June 30,2025)	FY2025 (As of March 31,2025)
LIABILITIES		
Current liabilities:		
Trade notes and accounts payable	1,844,467	2,207,676
Electronically Recorded Monetary Claims	844,260	743,595
Short-term borrowings	6,740,898	5,920,366
Long-term borrowings due within one year	2,761,823	2,953,675
Lease obligations	214,901	203,118
Income taxes payable	71,106	92,154
contract liability	131,945	127,884
Allowance for bonus	297,970	268,849
Provision for loss on litigation	100,000	100,000
Other current liabilities	1,578,620	1,328,132
Total current liabilities	14,585,994	13,945,450
Noncurrent liabilities		
Long-term borrowings	4,218,106	4,017,240
Lease obligations	907,745	866,369
Deferred tax liabilities	285,091	383,956
Asset retirement obligations	40,457	40,481
Liabilities for retirement benefits	1,012,613	1,029,175
Other noncurrent liabilities	188,159	129,655
Total noncurrent liabilities	6,652,173	6,466,878
Total liabilities	21,238,167	20,412,329
NET ASSETS		
Shareholder's equity		
Common stock	100,000	100,000
Capital surplus	1,067,759	1,067,759
Retained earnings	4,989,783	4,674,197
Treasury stock	(80,466)	(80,336)
Total shareholder' equity	6,077,076	5,761,620
Accumulated other comprehensive income		
Valuation gain (loss) on other securities	(33,649)	(44,282)
Foreign exchange adjustment	2,295,635	2,283,913
Cumulative amount for retirement benefits	82,986	83,599
Total accumulated other comprehensive income	2,344,971	2,323,229
Subscription rights to shares	8,594	8,594
Total net assets	8,430,642	8,093,444
Total liabilities and net assets	29,668,819	28,505,773

(2) QUARTERLY CONSOLIDATED STATEMENTS OF INCOME

(Amount: thousands of yen)

	FY2026 first quarter (April 1, 2025 through June 30, 2025)	FY2025 first quarter (April 1, 2024 through June 30, 2024)
NET sales	7,258,690	6,834,690
Cost of sales	5,364,721	5,242,420
Gross profit	1,893,969	1,592,270
Selling, general and administrative expenses	1,486,314	1,481,559
Operating income	407,655	110,710
Non-operating revenues		
Interest income	16,901	17,104
Dividends income	1	-
Rent income	12,506	31,253
Subsidy income	10,757	1,202
Others	8,979	33,623
Total non-operating revenues	49,145	83,182
Non-operating expenses		
Interest expenses	85,018	89,178
Foreign exchange loss	5,325	115,962
Other	12,051	21,527
Total non-operating expenses	102,395	226,668
Ordinary income(loss)	354,406	(32,775)
Extraordinary gain		
Gain on sales of noncurrent assets	5,530	694
Total extraordinary gain	5,530	694
Extraordinary loss		
Loss on sales of noncurrent assets	879	13
Loss on disposal of noncurrent assets	662	1,069
Loss on litigation	2,995	-
Total extraordinary loss	4,537	1,083
Net Income (or loss) before income taxes	355,399	(33,164)
Corporate, inhabitant and enterprise taxes	47,351	71,709
Corporate tax adjustments	(89,656)	(171,662)
Total income taxes	(42,304)	(99,952)
Net income(loss)	397,704	66,788
Net income (loss) Attributable to Owners of the Parent	397,704	66,788

QUARTERLY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amount: thousands of yen)

	FY2026 first quarter (April 1, 2025 through June 30, 2025)	FY2025 first quarter (April 1, 2024 through June 30, 2024)
Income (or loss) before minority interests	397,704	66,788
Other comprehensive income		
Valuation gain(loss) on other securities	10,632	(8,889)
Foreign currency translation adjustment	11,722	618,151
Remeasurements of defined benefit plans	(613)	(11,102)
Accumulated other comprehensive income	21,741	598,160
Comprehensive income	419,445	664,948
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	419,445	664,948

(3) Notes Concerning Quarterly Consolidated Financial Statements
(Notes on Going Concern Assumptions)
Not applicable

(Notes Concerning Significant Changes in the Amount of Shareholders' Equity)
Not applicable

(4)Segment Information etc.
【Segment Information】

I FY2026 first quarter (April 1, 2025 through June 30, 2025)

1, Information related to sales and income or loss amounts by reporting segments (Amount: thousands of yen)

	Japan	Americas	Europe	Asia	Total
Net sales					
(1) Net sales to third parties	2,314,774	1,463,931	868,403	2,611,581	7,258,690
(2) Intra-group Net sales and transfers	318,760	-	38,338	63,696	420,795
Total sales	2,633,534	1,463,931	906,742	2,675,278	7,679,486
Operating income (loss)	52,536	223,117	(19,727)	149,604	405,532

2, Reconciliation of Reported Consolidated Quarterly Net Sales and Operating Income with Operating Income or Loss of Reporting Segments

Reconciliation of Operating Income	Amount
Total of Reporting Segments	405,532
Elimination of inter-segment transactions	2,123
Consolidated Quarterly Operating Income	407,655

II FY2025 first quarter (April 1, 2024 through June 30, 2024)

1, Information related to sales and income or loss amounts by reporting segments (Amount: thousands of yen)

	Japan	Americas	Europe	Asia	Total
Net sales					
(1) Net sales to third parties	2,240,247	1,236,942	854,239	2,503,260	6,834,690
(2) Intra-group Net sales and transfers	236,971	-	11,037	56,444	304,453
Total sales	2,477,219	1,236,942	865,277	2,559,704	7,139,143
Operating income (loss)	20,423	(75,702)	22,080	135,549	102,350

2, Reconciliation of Reported Consolidated Quarterly Net Sales and Operating Income with Operating Income or Loss of Reporting Segments

Reconciliation of Operating Income	Amount
Total of Reporting Segments	102,350
Elimination of inter-segment transactions	8,359
Consolidated Quarterly Operating Income	110,710