



ADVANEX INC. Flash Report (Consolidated Basis)

Results for FY2026 third quarter(Nine months ended December 31, 2025)

February 13, 2026

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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 December 31, 2025) (Figures less than ¥1 million have been omitted.)

(1) Consolidated operating results (For the Nine months ended December 31.).

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 | % |
| Nine months ended December 31, 2025 | 21,816 | 3.4 | 872 | 65.7 | 873 | - | 615 | - |
| Nine months ended December 31, 2024 | 21,089 | 5.8 | 526 | 119.6 | (224) | - | (335) | - |

[Note] Comprehensive income: Nine months ended December 31, 2025 1,643 million yen
Nine months ended December 31, 2024 635 million yen

| | Net income per share | Net income per share after dilution |
|-------------------------------------|----------------------|-------------------------------------|
| | Yen | Yen |
| Nine months ended December 31, 2025 | 150.01 | 149.79 |
| Nine months ended December 31, 2024 | (81.67) | - |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of December 31, 2025 | 32,192 | 9,653 | 30.0 |
| As of March 31, 2024 | 28,505 | 8,093 | 28.4 |

[Reference] Total shareholder's equity: ¥ 9,645 million yen at December 31, 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) | | | | 35.00 | 35.00 |

[Note] Revisions to the latest forecast of cash dividends: Yes

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 | 1,200 | 8.2 | 1,000 | 485.9 | 650 | - | 158.32 |

[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: Yes
 - b. Changes other than a.: No
 - c. Changes in accounting estimates: 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 December 31, 2025
 - 4,153,370 shares at March 31, 2025
 - b. Number of shares of treasury stock at end of period
 - 48,207 shares at December 31, 2025
 - 47,469 shares at March 31, 2025
 - c. Average number of shares issued and outstanding in each period:
 - 4,105,533 shares at December 31, 2025
 - 4,106,403 shares at December 31, 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

The Company operates in Japan, the Americas, Europe, and 12 Asian countries, primarily manufacturing and selling precision metal processed parts, including precision springs, for automobiles, medical equipment, office automation (OA) equipment, and aircraft.

During the consolidated cumulative third quarter, the business environment remained unpredictable with many uncertain factors such as the impact of reciprocal tariffs by the U.S. government, the resulting effects on the global economy and exchange rates, and the deterioration of Japan-China relations; however, the Company's medical-related business continued to expand, and overall performance remained solid.

Under these circumstances, during the same period, net sales increased by 3.4% year-on-year to 21,816 million yen, operating income increased by 65.7% to 872 million yen, ordinary income was 873 million yen (compared to a loss of 224 million yen in the same quarter of the previous year), and net income attributable to owners of the parent was 615 million yen (compared to a loss of 335 million yen in the same quarter of the previous year).

Segment performance is as follows:

[Japan]

Due to steady performance in the medical sector and strong performance in precision equipment and information equipment, net sales increased by 1.3% year-on-year to 6,880 million yen, and segment income increased by 29.0% to 171 million yen.

[Americas]

With continued expansion in the medical sector and steady progress in improving the Mexico plant, net sales increased by 13.1% year-on-year to 4,429 million yen, and segment income significantly increased to 354 million yen.

[Europe]

Net sales decreased by 4.1% year-on-year to 2,284 million yen due to delays in the start of mass production for new medical-related businesses, and segment loss amounted to 167 million yen (compared to a loss of 7 million yen in the same quarter of the previous year) due to increased fixed costs, including upfront investments related to the medical business at the Czech plant.

[Asia]

With continued strong performance in the automotive and precision equipment sectors, net sales increased by 2.8% year-on-year to 8,221 million yen, and segment income increased by 33.1% to 509 million yen.

(2) Explanation of Financial Position

Financial position

Assets

Total assets at the end of the consolidated third quarter increased by 3,686 million yen from the end of the previous consolidated fiscal year, reaching 32,192 million yen.

Within assets, total current assets increased by 1,034 million yen, reaching 15,688 million yen. The main reasons were an increase of 534 million yen in cash and deposits and an increase of 551 million yen in inventories. Furthermore, total non-current assets increased by 2,652 million yen, reaching 16,504 million yen. This was primarily due to an increase in property, plant and equipment.

Liabilities

Within liabilities, total liabilities amounted to 22,538 million yen, an increase of 2,126 million yen

from the end of the previous consolidated fiscal year. The main reason was an increase of 1,889 million yen in borrowings.

(Net assets)

Within net assets, total net assets amounted to 9,653 million yen, an increase of 1,560 million yen from the end of the previous consolidated fiscal year. The main reasons were an increase of 532 million yen in total shareholders' equity due to the recognition of net income attributable to owners of the parent for the quarter, etc., and an increase of 1,026 million yen in foreign currency translation adjustment due to fluctuations in exchange rates.

As a result, the equity ratio was 30.0% (28.4% at the end of the previous consolidated fiscal year).

(3) Explanation of Consolidated Business Forecast and other Forecasts

Regarding the full-year consolidated business performance forecast for the fiscal year ending March 2026, we have revised the full-year consolidated business performance forecast and dividend forecast announced on August 8, 2025. For details, please refer to the ""Notice of Revision to Full-Year Consolidated Business Performance Forecast and Dividend Forecast"" released today.

2. QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS

(1) QUARTERLY CONSOLIDATED BALANCE SHEETS

(Amount: thousands of yen)

| | FY2026 third quarter (As of December 31,2025) | FY2025 (As of March 31,2025) |
|-------------------------------------|--|---------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and time deposits | 5,158,486 | 4,623,849 |
| Trade notes and accounts receivable | 4,963,317 | 5,062,345 |
| Finished goods | 2,345,849 | 1,876,782 |
| Work in process | 829,444 | 948,475 |
| Raw materials and stored items | 1,706,715 | 1,504,844 |
| Other current assets | 708,274 | 666,759 |
| Allowance for doubtful accounts | (23,566) | (29,181) |
| Total current assets | 15,688,521 | 14,653,876 |
| Noncurrent assets: | | |
| Tangible noncurrent asset | | |
| Buildings and structures | 5,774,795 | 4,256,868 |
| Machinery and equipment | 4,843,782 | 4,155,107 |
| Land | 1,608,900 | 1,553,349 |
| Others | 3,177,334 | 2,813,359 |
| Total tangible noncurrent assets | 15,404,812 | 12,778,684 |
| Intangible noncurrent assets | 356,306 | 240,435 |
| Investments and other assets | 743,083 | 832,777 |
| Total noncurrent assets | 16,504,202 | 13,851,897 |
| Total assets | 32,192,723 | 28,505,773 |
| | | |
| | | |

(Amount: thousands of yen)

| | FY2026 third quarter (As of December 31,2025) | FY2025 (As of March 31,2024) |
|--|--|---------------------------------|
| LIABILITIES | | |
| Current liabilities: | | |
| Trade notes and accounts payable | 1,902,017 | 2,207,676 |
| Electronically Recorded Monetary Claims | 808,319 | 743,595 |
| Short-term borrowings | 5,461,448 | 5,920,366 |
| Long-term borrowings due within one year | 2,768,968 | 2,953,675 |
| Lease obligations | 188,837 | 203,118 |
| Income taxes payable | 41,801 | 92,154 |
| Contract liability | 191,166 | 127,884 |
| Allowance for bonus | 190,661 | 268,849 |
| Provision for loss on litigation | - | 100,000 |
| Other current liabilities | 1,963,183 | 1,328,132 |
| Total current liabilities | 13,516,405 | 13,945,450 |
| Noncurrent liabilities | | |
| Long-term borrowings | 6,550,582 | 4,017,240 |
| Lease obligations | 847,553 | 866,369 |
| Deferred tax liabilities | 351,530 | 383,956 |
| Asset retirement obligations | 40,776 | 40,481 |
| Liabilities for retirement benefits | 1,015,863 | 1,029,175 |
| Other noncurrent liabilities | 216,224 | 129,655 |
| Total noncurrent liabilities | 9,022,530 | 6,466,878 |
| Total liabilities | 22,538,935 | 20,412,329 |
| NET ASSETS | | |
| Shareholder's equity | | |
| Common stock | 100,000 | 100,000 |
| Capital surplus | 1,067,759 | 1,067,759 |
| Retained earnings | 5,207,949 | 4,674,197 |
| Treasury stock | (81,214) | (80,336) |
| Total shareholder' equity | 6,294,494 | 5,761,620 |
| Accumulated other comprehensive income | | |
| Valuation gain (loss) on other securities | (17,118) | (44,282) |
| Foreign exchange adjustment | 3,310,146 | 2,283,913 |
| cumulative amount for retirement benefits | 57,671 | 83,599 |
| Total accumulated other comprehensive income | 3,350,699 | 2,323,229 |
| Subscription rights to shares | 8,594 | 8,594 |
| Total net assets | 9,653,788 | 8,093,444 |
| Total liabilities and net assets | 32,192,723 | 28,505,773 |

(2) QUARTERLY CONSOLIDATED STATEMENTS OF INCOME

(Amount: thousands of yen)

| | FY2026 third quarter (April 1, 2025 through December 31, 2025) | FY2025 third quarter (April 1, 2024 through December 31, 2024) |
|--|--|--|
| NET sales | 21,816,220 | 21,089,161 |
| Cost of sales | 16,464,040 | 16,183,087 |
| Gross profit | 5,352,180 | 4,906,074 |
| Selling, general and administrative expenses | 4,479,840 | 4,379,664 |
| Operating income | 872,339 | 526,410 |
| Non-operating revenues | | |
| Interest income | 52,894 | 59,641 |
| Dividends income | 1 | - |
| Rent income | 36,794 | 90,464 |
| Foreign exchange gains | 181,511 | - |
| Subsidy income | 11,187 | 2,584 |
| Others | 50,744 | 61,855 |
| Total non-operating revenues | 333,134 | 214,546 |
| Non-operating expenses | | |
| Interest expenses | 316,623 | 278,824 |
| Foreign exchange loss | - | 629,923 |
| Others | 15,290 | 56,429 |
| Total non-operating expenses | 331,914 | 965,178 |
| Ordinary income(loss) | 873,559 | (224,221) |
| Extraordinary gain | | |
| Gain on sales of noncurrent assets | 6,093 | 42,006 |
| Gain on bad debts recoverd | - | - |
| Total extraordinary gain | 6,093 | 42,006 |
| Extraordinary loss | | |
| Loss on sales of noncurrent assets | 7,983 | 2,749 |
| Loss on disposal of noncurrent assets | 4,407 | 774 |
| Loss on litigation | 128,232 | - |
| Loss on business restructuring | 9,320 | - |
| Special retirement expense | 23,266 | 75,721 |
| Others | - | - |
| Total extraordinary loss | 173,211 | 79,244 |
| Net Income (or loss) before income taxes | 706,442 | (261,459) |
| Corporate, inhabitant and enterprise taxes | 159,764 | 187,679 |
| Corporate tax adjustments | (69,192) | (113,785) |
| Total income taxes | 90,572 | 73,894 |
| Net income(loss) | 615,870 | (335,353) |
| Net income (loss) Attributable to Owners of the Parent | 615,870 | (335,353) |

QUARTERLY CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amount: thousands of yen)

| | FY2026 third quarter (April 1, 2025 through December 31, 2025) | FY2025 third quarter (April 1, 2024 through December 31, 2024) |
|--|--|--|
| Income (or loss) before minority interests | 615,870 | (335,353) |
| Other comprehensive income | | |
| Valuation gain(loss) on other securities | 27,163 | (23,960) |
| Foreign currency translation adjustment | 1,026,233 | 1,029,433 |
| Remeasurements of defined benefit plans | (25,927) | (34,752) |
| Total other comprehensive income | 1,027,469 | 970,721 |
| Comprehensive income | 1,643,339 | 635,367 |
| Comprehensive income attributable to owners of the parent | 1,643,339 | 635,367 |

(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

Segment Information etc.
【Segment Information】

I FY2026 third quarter (April 1, 2025 through December 31, 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 | 6,880,577 | 4,429,591 | 2,284,703 | 8,221,347 | 21,816,220 |
| (2) Intra-group Net sales and transfers | 1,000,897 | 3,308 | 93,075 | 157,758 | 1,255,038 |
| Total sales | 7,881,474 | 4,432,899 | 2,377,779 | 8,379,105 | 23,071,259 |
| Operating income (loss) | 171,892 | 354,697 | (167,862) | 509,407 | 868,135 |

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 | 868,135 |
| Elimination of inter-segment transactions | 4,203 |
| Consolidated Quarterly Operating Income | 872,339 |

3, Information related to impairment loss of fixed assets or goodwill, etc. by reporting segment
 Not applicable

II FY2025 third quarter (April 1, 2024 through December 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 | 6,790,537 | 3,915,414 | 2,383,124 | 8,000,084 | 21,089,161 |
| (2) Intra-group Net sales and transfers | 838,677 | 4,415 | 74,427 | 184,651 | 1,102,171 |
| Total sales | 7,629,215 | 3,919,829 | 2,457,551 | 8,184,736 | 22,191,333 |
| Operating income (loss) | 133,218 | 7,470 | (7,164) | 382,601 | 516,126 |

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 | 516,126 |
| Elimination of inter-segment transactions | 10,284 |
| Consolidated Quarterly Operating Income | 526,410 |

3, Information related to impairment loss of fixed assets or goodwill, etc. by reporting segment

Not applicable