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May 14, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Nifco Inc.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7988  
 URL: <https://www.nifco.com/en/>  
 Representative: Masaharu Shibao, President & CEO  
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 Scheduled date of ordinary general meeting of shareholders: June 24, 2026  
 Scheduled date to commence dividend payments: June 25, 2026  
 Scheduled date to file annual securities report: June 23, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

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

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (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, 2026	352,650	(0.1)	48,078	(2.3)	51,275	(1.7)	34,079	(23.9)
March 31, 2025	353,038	(5.0)	49,200	12.0	52,147	5.0	44,767	145.3

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥40,048 million [(26.1)%]  
 For the fiscal year ended March 31, 2025: ¥54,199 million [77.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	361.44	–	11.9	13.3	13.6
March 31, 2025	461.95	–	17.3	13.7	13.9

Note: Diluted earnings per share of the fiscal years ended March 31, 2026 and March 31, 2025 are not shown in the above table, as there are no potential common shares with dilution effect.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	393,590	299,571	75.3	3,183.40
March 31, 2025	379,816	278,725	72.4	2,888.37

Reference: Equity

As of March 31, 2026: ¥296,456 million  
 As of March 31, 2025: ¥274,967 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	47,163	(18,130)	(31,355)	141,659
March 31, 2025	54,217	(23,891)	(35,154)	141,097

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	–	35.00	–	40.00	75.00	7,211	16.2	2.8
Fiscal year ended March 31, 2026	–	40.00	–	70.00	110.00	10,299	30.4	3.6
Fiscal year ending March 31, 2027 (Forecast)	–	56.00	–	Note 28.00	–		30.7	

Note: At the Board of Directors meeting held on May 14, 2026, it was resolved to conduct a stock split at a ratio of 2 shares for each common share, with September 30, 2026 as the record date.

The forecasted year-end dividend per share for the fiscal year ending March 2027 is presented after taking into account the effect of this stock split. Accordingly, the total annual dividend is shown as “–”.

For reference, if the stock split is not taken into consideration, the forecasted year-end dividend for the fiscal year ending March 2027 would be 56.00 yen per share, and the annual dividend would be 112.00 yen per share.

The dividend amounts for the fiscal years ended March 2025 and March 2026 represent actual results prior to the stock split.

### 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	367,000	4.1	50,800	5.7	50,000	(2.5)	34,000	(0.2)	182.55

(Notes) 1. As the Company practices performance management on an annual basis, we have omitted the consolidated earnings forecasts for the second quarter (cumulative).

2. Basic earnings per share has been calculated taking into account the effect of the stock split described in the footnote to “2. Cash dividends”.

For reference, if the stock split is not taken into consideration, basic earnings per share would be 365.10 yen.

**\* Notes**

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

Newly included: – company

Excluded: – company

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations:  
None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	100,232,614 shares
As of March 31, 2025	100,257,053 shares

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

As of March 31, 2026	7,106,925 shares
As of March 31, 2025	5,058,850 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	94,289,380 shares
Fiscal year ended March 31, 2025	96,910,332 shares

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

Forward-looking statements or projections included in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational at the time of this writing. Actual results may differ greatly from the forecast figures depending on various factors. For assumptions used for earnings forecasts and notes on the use of earnings forecasts, etc., please refer to “1. Overview of Operating Results, etc., (4) Future Outlook.” on page 4 of the Attached Materials.

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## 1. Overview of Operating Results, Etc.

### (1) Overview of Operating Results During the Period

During the fiscal year under review (hereinafter “the period”), the Japanese economy was on a moderate recovery track, with improvements mainly in lease-related businesses, backed by companies’ aggressive capital investment, and steady growth mainly in consumer-related areas, driven by the recovery of personal consumption. Looking overseas, in the Chinese economy, while overseas demand continued to grow with the expansion of exports to Asia, the EU and Africa, offsetting the decrease in exports to the U.S., domestic demand had personal consumption and investment that remained stagnant. Therefore, the overall economy was at a standstill. Regarding the European economy, the Eurozone as a whole is recovering with expanding government expenditures mainly in national defense and strong personal consumption. In the UK, both domestic and external demand remain sluggish due to weak employment and income environment, pressuring households’ budgets. In the U.S. economy, the polarization of business sentiment progress since the non-manufacturing sector is showing steady trends while the manufacturing sector is experiencing a prolonged slump. Driven by capital expenditures form demand for AI, the economy remains strong. In this way, although the global economy is showing signs of recovery, the situation remains uncertain, as each country faces energy supply risks amid rising military tension in the Middle East.

With regard to automobile manufacturers, which are the main customers of Nifco Inc. (the “Company”) and its consolidated subsidiaries (collectively, the “Group”), in the Japanese market, both production volume and sales volume slightly decreased year on year in the period. In overseas markets, production volume decreased year on year in Europe and Korea, while sales volume increased slightly during the period. In the U.S., both production volume and sales volume decreased significantly year on year, while both production volume and sales volume resulted in a significant year-on-year increase in China and India.

Under this business environment, net sales for the period amounted to 352,650 million yen, down 0.1% year on year. In terms of profits, operating profit decreased 2.3% year on year to 48,078 million yen, due to the impact of rising prices and labor costs, despite active initiatives in various areas to reduce controllable expense. Ordinary profit decreased 1.7% year on year to 51,275 million yen. As for extraordinary income and losses, 1,115 million yen was recorded as extraordinary losses, mainly due to the recording of impairment losses, but 1,196 million yen was recorded as extraordinary income, due to gain on sale of non-current assets. As a result, profit attributable to owners of parent decreased 23.9% year on year to 34,079 million yen.

Recognition, analysis and discussion of operating results by segment are as follows.

Net sales in each segment are to external customers.

#### (i) Industrial plastic parts & components

[For the domestic automobile industry]

For automotive production in Japan, the Company’s sales declined, affected by a series of production cuts and stops due to China’s restrictions on rare earth exports, natural disasters, the postponement of the launch of new car models, the situation in the Middle East, etc. However, the full-year sales total exceeded the plan due to factors such as contributions from mold sales associated with the launch of new vehicles, compensation for electric power charges, and price pass-through on material and labor cost increases.

[For the overseas automobile industry]

Overseas, business for Korean OEMs remained strong. Business for Japanese OEMs also maintained its net sales and achieved a steady profit growth despite the impact of the additional U.S. tariff. In addition, business for ASEAN countries, mainly India and Indonesia, remained robust. The consolidation of plants in Thailand was also implemented. Overseas business as a whole successfully

increased net sales and profit. However, in China, Japanese OEMs continuously struggled due to sluggish sales, resulting in a decrease in net sales and profit year on year, while securing net sales and profit exceeded the plan through the execution of optimization. In Europe, profit declined due to a decrease in net sales resulting from the postponement of new car models in the UK, but it ended with a profit increase after optimization. We aim to further boost profitability by strengthening capital investment in Japanese and Korean OEM business in North America and India, and increasing the value of the product installed per vehicle.

[For other industries]

In the housing and living sector, during the period, the number of new housing starts reached the lowest level in 61 years, and demand for housing-related components supplied by the Group dropped significantly, resulting in a year-on-year decline in net sales. Meanwhile, in the sports and outdoor sector, net sales and profit increased because Chinese sport brands expanded their adoption of our products and shifted to a more profitable product structure and profitability improved.

As a result of the above, net sales in the industrial plastic parts & components business decreased 0.1% from the previous fiscal year to 315,691 million yen. Segment profit decreased 2.8% year on year to 47,663 million yen.

(ii) Bedding & furniture

Domestically, although sales to hotels and exports increased, sales to retailers struggled. In addition, due to the impact of the rent increase associated with the opening of the Yokohama Gallery in April, etc., both net sales and profits declined. On the other hand, overseas, sales to the hotel sector in Hong Kong declined sharply, affected by the backlash from the hotel's special procurement driven by the introduction of waste disposal charges last year. Singapore demonstrated sluggish wholesale sales. However, in China, both retail and wholesale sales to the hotel sector were strong, as the Central Government's consumption-stimulation initiative, implemented in August 2024, was extended to September 2025. Operations at the plants in Thailand, established last fiscal year, began stabilizing. Consequently, both net sales and profit rose. As a result, net sales in the bedding & furniture business decreased 0.4% year on year to 36,958 million yen. Segment profit increased 0.1% year on year to 5,970 million yen.

## (2) Overview of Financial Position During the Period

	(Millions of yen)		
	As of March 31, 2025	As of March 31, 2026	Change
Total assets	379,816	393,590	13,774
Equity capital	274,967	296,456	21,489
Equity ratio	72.4%	75.3%	2.9p

Assets as of March 31, 2026 stood at 393,590 million yen, an increase of 13,774 million yen from the end of the previous fiscal year. The main factors for the increase were a 7,336 million yen increase in buildings and structures and a 2,649 million yen increase in machinery, equipment and vehicles and a 2,389 million yen increase in cash and deposits

Liabilities as of March 31, 2026 stood at 94,018 million yen, a decrease of 7,072 million yen from the end of the previous fiscal year. The main factors for the decrease were decreases of 4,357 million yen in notes and accounts payable - trade, and 10,000 million yen in current portion of bonds payable, despite an increase of 3,121 million yen in income taxes payable.

Net assets as of March 31, 2026 stood at 299,571 million yen, an increase of 20,846 million yen from the end of the previous fiscal year. The increase in net assets was mainly due to an increase of 25,993 million yen in retained earnings and an increase of 3,988 million yen in foreign currency translation adjustment due to yen depreciation, despite an increase of 9,300 million yen in treasury shares. As a result, equity ratio was 75.3% and net assets per share was 3,183.40 yen.

### (3) Overview of Cash Flows During the Period

(Cash flows from operating activities)

Net cash provided by operating activities during the period totaled 47,163 million yen, a decrease of 7,054 million yen while increase of 54,217 million yen provided in the previous year. This was mainly due to decline in decrease (increase) in trade receivables and decline in increase (decrease) in trade payables.

(Cash flows from investing activities)

Net cash used in investing activities totaled 18,130 million yen, an increase of 5,760 million yen from 23,891 million yen used in the previous year. This was mainly due to payments for sale of shares of subsidiaries resulting in the changes in the scope of consolidation in the same period of the previous fiscal year.

(Cash flows from financing activities)

Net cash used in financing activities totaled 31,355 million yen, an increase of 3,798 million yen from 35,154 million yen used in the previous year. This was mainly due to decreases in repayments of long-term borrowings and purchase of treasury shares.

As a result, cash and cash equivalents as of March 31, 2026 increased 562 million yen from the end of the previous period to 141,659 million yen.

	FY2021	FY2022	FY2023	FY2024	FY2025
Equity ratio (%)	59.5	62.2	64.1	72.4	75.3
Equity ratio on market value basis (%)	83.9	104.3	100.7	89.8	103.9
Ratio of interest-bearing debt to cash flows (years)	2.2	1.7	1.1	0.7	0.5
Interest coverage ratio (times)	66.9	75.2	59.1	199.5	172.7

(Notes) Equity ratio: Equity capital / Total assets

Equity ratio on market value basis: Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

\* All indicators are calculated based on consolidated financial figures.

\* Market capitalization is calculated by multiplying the closing share price at the end of the period by the number of issued shares (less treasury shares) at the end of the period.

\* Cash flows from operating activities in the consolidated statements of cash flows are used for cash flows. Interest-bearing debt includes all liabilities on the consolidated balance sheets for which interest is paid. For interest payments, interest paid in the consolidated statements of cash flows is used.

### (4) Future Outlook

It remains difficult to forecast future automobile production due to changes in regional demand trends and market conditions. Furthermore, ongoing geopolitical risks, elevated raw material and logistics costs and rising labor expenses are putting earnings under pressure. Additionally, uncertain remains due to factors such as China's continued economic slowdown, increasing uncertainty in the Middle East situation and fluctuations in foreign exchange rates.

Despite this challenging environment, the Company will strive to improve profits by maintaining rigorous management of fixed costs and production improvement activities. Based on the above, financial results for the fiscal year ending March 31, 2027, are forecast to be as follows: net sales of 367.0 billion yen, operating profit of 50.8 billion yen, ordinary profit of 50.0 billion yen, and profit attributable to owners of parent of 34.0 billion yen.

The foreign exchange rates assumed in this performance outlook are 1 USD = ¥153.

\*Notes regarding the use of earnings forecasts

Forward-looking statements are based on assumptions and beliefs by the Company's management in light of the information currently available to it and involve potential risks and uncertainties. Actual results may differ greatly from these forward-looking statements due to changes in various factors.

## **(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Periods**

The Company strives to promote a dividend policy linked to business performance while maintaining a basic policy of continuous stable dividends.

The Company plans to pay the dividend of 70 yen per share at the end of the current fiscal year. As a result, together with the interim dividend of 40 yen per share paid on November 28, 2025, the annual dividend per share will be 110 per share.

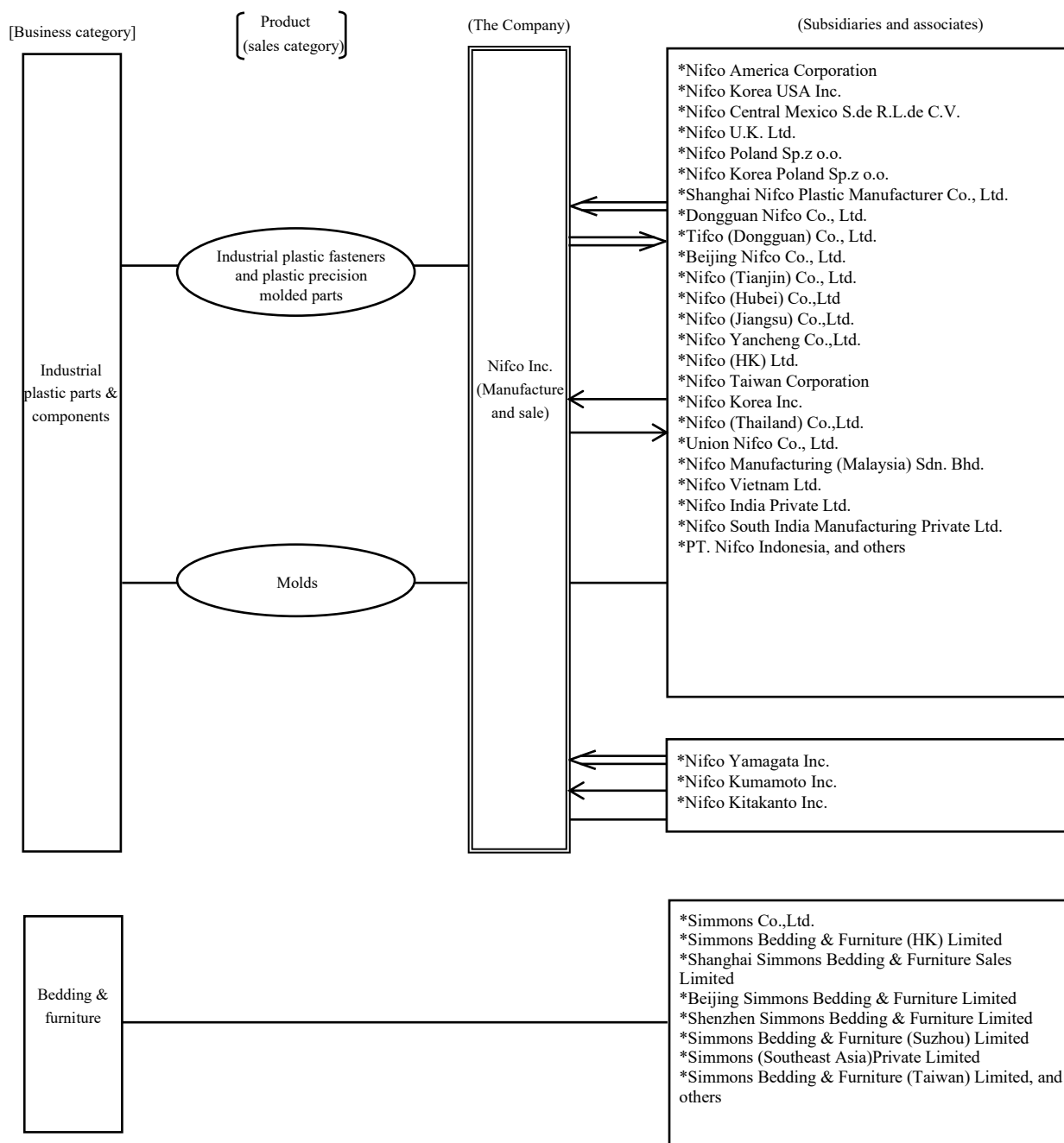
For the fiscal year ending March 31, 2027, the Company plans to pay an interim dividend of 56 yen per share and a year-end dividend of 28 yen per share (after taking into account the stock split) (Note 1).

When converted on a pre-stock-split basis, the year-end dividend would be 56 yen per share and the total annual dividend would be 112 yen per share.

Note 1: At the Board of Directors meeting held on May 14, 2026, it was resolved to conduct a stock split at a ratio of 2 shares for each common share, with September 30, 2026 as the record date and October 1, 2026 as the effective date.

## 2. Corporate Group

The following is a schematic diagram of the Company's businesses.  
The following are consolidated subsidiaries.



(Notes) \*consolidated subsidiaries

⇒ Product → Molds

### **3. Basic Stance Toward the Selection of Accounting Standards**

The Group has adopted Japanese generally accepted accounting principles (GAAP) for the purpose of comparability of consolidated financial statements among enterprises. However, the Group is currently studying the establishment of a system to prepare for the future application of IFRS, as well as the accounting policy and timing of its application.

## 4. Consolidated Financial Statements and Main Notes

### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	146,232	148,622
Notes receivable - trade	1,129	1,458
Electronically recorded monetary claims - operating	6,807	6,806
Accounts receivable - trade	52,214	51,750
Contract assets	477	482
Securities	1,349	1,343
Merchandise and finished goods	26,204	28,011
Work in process	2,983	3,444
Raw materials and supplies	10,039	11,276
Other	12,405	13,138
Allowance for doubtful accounts	(279)	(283)
<b>Total current assets</b>	<b>259,565</b>	<b>266,051</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	80,447	92,399
Accumulated depreciation	(35,278)	(39,893)
Buildings and structures, net	45,169	52,505
Machinery, equipment and vehicles	80,835	87,087
Accumulated depreciation	(62,707)	(66,309)
Machinery, equipment and vehicles, net	18,128	20,777
Tools, furniture and fixtures	28,267	28,754
Accumulated depreciation	(24,406)	(24,395)
Tools, furniture and fixtures, net	3,860	4,358
Molds	89,700	89,851
Accumulated depreciation	(85,231)	(85,348)
Molds, net	4,468	4,503
Land	20,808	22,130
Leased assets	93	118
Accumulated depreciation	(55)	(71)
Leased assets, net	38	47
Construction in progress	11,766	6,484
Other	3,445	4,694
<b>Total property, plant and equipment</b>	<b>107,685</b>	<b>115,503</b>
Intangible assets	2,194	2,024
<b>Investments and other assets</b>		
Investment securities	684	426
Deferred tax assets	3,332	2,099
Retirement benefit asset	3,470	3,992
Other	2,883	3,491
Allowance for doubtful accounts	(0)	(0)
<b>Total investments and other assets</b>	<b>10,370</b>	<b>10,011</b>
<b>Total non-current assets</b>	<b>120,250</b>	<b>127,538</b>
<b>Total assets</b>	<b>379,816</b>	<b>393,590</b>

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	26,284	21,926
Current portion of bonds payable	10,000	–
Short-term borrowings	199	–
Current portion of long-term borrowings	60	60
Accounts payable - other	6,053	6,469
Income taxes payable	3,439	6,560
Contract liabilities	5,035	5,704
Provision for bonuses	3,531	3,766
Other	12,620	12,634
Total current liabilities	67,223	57,122
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	225	165
Deferred tax liabilities	3,669	6,202
Retirement benefit liability	1,760	1,767
Other	3,211	3,761
Total non-current liabilities	33,867	36,895
Total liabilities	101,090	94,018
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,290	7,290
Capital surplus	–	–
Retained earnings	253,466	279,460
Treasury shares	(18,588)	(27,888)
Total shareholders' equity	242,168	258,861
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	62
Deferred gains or losses on hedges	(7)	–
Foreign currency translation adjustment	32,886	36,874
Remeasurements of defined benefit plans	(85)	658
Total accumulated other comprehensive income	32,799	37,595
Non-controlling interests	3,757	3,115
Total net assets	278,725	299,571
Total liabilities and net assets	379,816	393,590

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	353,038	352,650
Cost of sales	245,838	245,155
Gross profit	107,200	107,494
Selling, general and administrative expenses		
Packing and transportation costs	10,127	10,520
Advertising expenses	1,696	1,801
Remuneration, salaries and allowances	15,681	15,877
Employees' bonuses	2,793	2,645
Provision for bonuses	1,633	1,732
Retirement benefit expenses	1,020	1,166
Other personnel expenses	5,643	5,401
Rent expenses	2,209	2,321
Travel and transportation expenses	1,192	1,209
Depreciation	3,012	2,963
Research and development expenses	2,008	2,133
Other	10,981	11,643
Total selling, general and administrative expenses	58,000	59,416
Operating profit	49,200	48,078
Non-operating income		
Interest income	1,900	1,521
Gain on valuation of investment securities	116	-
Foreign exchange gains	745	1,834
Other	879	683
Total non-operating income	3,642	4,039
Non-operating expenses		
Interest expenses	262	276
Prior period customs duty	103	-
Business restructuring expenses	92	98
Other	237	466
Total non-operating expenses	695	842
Ordinary profit	52,147	51,275

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Extraordinary income</b>		
Gain on sale of non-current assets	26	1,196
Gain on sale of investment securities	1,729	–
Insurance claim income	*1 878	–
Reversal of allowance for losses on business transfer	*2 498	–
Total extraordinary income	3,133	1,196
<b>Extraordinary losses</b>		
Impairment losses	–	857
Loss on sale and retirement of non-current assets	159	234
Loss on valuation of investment securities	10	–
Loss on sale of investment securities	–	23
Settlement payments	*3 621	–
Loss on reversal of foreign currency translation adjustment	*4 164	–
Total extraordinary losses	955	1,115
Profit before income taxes	54,324	51,356
Income taxes - current	11,834	13,542
Income taxes - deferred	(3,318)	2,642
Total income taxes	8,516	16,184
Profit	45,808	35,171
Profit attributable to		
Profit attributable to owners of parent	44,767	34,079
Profit attributable to non-controlling interests	1,040	1,091
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(2,022)	56
Deferred gains or losses on hedges	14	7
Foreign currency translation adjustment	10,167	4,060
Remeasurements of defined benefit plans, net of tax	231	752
Total other comprehensive income	8,391	4,877
Comprehensive income	54,199	40,048
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	52,861	38,875
Comprehensive income attributable to non-controlling interests	1,338	1,172

**(3) Consolidated Statement of Changes in Equity**

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,290	–	215,302	(3,608)	218,983
Changes during period					
Dividends of surplus			(6,598)		(6,598)
Profit attributable to owners of parent			44,767		44,767
Reversal of revaluation reserve for land			6		6
Purchase of treasury shares				(16,632)	(16,632)
Disposal of treasury shares		(10)		1,652	1,641
Cancellation of treasury shares					–
Transfer from retained earnings to capital surplus		10	(10)		–
Purchase of shares of consolidated subsidiaries					–
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	38,164	(14,979)	23,184
Balance at end of period	7,290	–	253,466	(18,588)	242,168

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,028	(21)	6	23,019	(320)	24,712	3,356	247,052
Changes during period								
Dividends of surplus								(6,598)
Profit attributable to owners of parent								44,767
Reversal of revaluation reserve for land			(6)			(6)		–
Purchase of treasury shares								(16,632)
Disposal of treasury shares								1,641
Cancellation of treasury shares								–
Transfer from retained earnings to capital surplus								–
Purchase of shares of consolidated subsidiaries								–
Net changes in items other than shareholders' equity	(2,022)	14		9,866	234	8,093	401	8,494
Total changes during period	(2,022)	14	(6)	9,866	234	8,087	401	31,673
Balance at end of period	6	(7)	–	32,886	(85)	32,799	3,757	278,725

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,290	–	253,466	(18,588)	242,168
Changes during period					
Dividends of surplus			(7,614)		(7,614)
Profit attributable to owners of parent			34,079		34,079
Reversal of revaluation reserve for land					–
Purchase of treasury shares				(9,999)	(9,999)
Disposal of treasury shares		(27)		619	592
Cancellation of treasury shares		(79)		79	–
Transfer from retained earnings to capital surplus		471	(471)		–
Purchase of shares of consolidated subsidiaries		(364)			(364)
Net changes in items other than shareholders' equity					–
Total changes during period	–	–	25,993	(9,300)	16,692
Balance at end of period	7,290	–	279,460	(27,888)	258,861

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	6	(7)	–	32,886	(85)	32,799	3,757	278,725
Changes during period								
Dividends of surplus								(7,614)
Profit attributable to owners of parent								34,079
Reversal of revaluation reserve for land								–
Purchase of treasury shares								(9,999)
Disposal of treasury shares								592
Cancellation of treasury shares								–
Transfer from retained earnings to capital surplus								–
Purchase of shares of consolidated subsidiaries								(364)
Net changes in items other than shareholders' equity	56	7	–	3,988	744	4,795	(642)	4,153
Total changes during period	56	7	–	3,988	744	4,795	(642)	20,846
Balance at end of period	62	–	–	36,874	658	37,595	3,115	299,571

**(4) Consolidated Statement of Cash Flows**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	54,324	51,356
Impairment losses	–	857
Depreciation	13,007	12,567
Insurance claim income	(878)	–
Settlement payments	621	–
Increase (decrease) in allowance for doubtful accounts	(21)	(1)
Increase (decrease) in provision for bonuses	562	199
Increase (decrease) in retirement benefit liability	189	1,071
Decrease (increase) in retirement benefit asset	(654)	(532)
Increase (decrease) in allowance for losses on business transfer	(498)	–
Interest and dividend income	(2,014)	(1,524)
Interest expenses	262	276
Foreign exchange losses (gains)	49	(2,119)
Loss (gain) on sale and retirement of non-current assets	133	(961)
Loss (gain) on sale of investment securities	(1,729)	23
Loss (gain) on valuation of investment securities	(106)	–
Loss on reversal of foreign currency translation adjustment	164	–
Decrease (increase) in trade receivables	6,569	1,152
Decrease (increase) in inventories	(1,999)	(3,042)
Decrease (increase) in other assets	784	(43)
Increase (decrease) in trade payables	(117)	(4,991)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(2,300)	553
Increase (decrease) in other liabilities	(176)	492
Other, net	757	741
Subtotal	66,927	56,077
Interest and dividends received	2,060	1,501
Interest paid	(271)	(273)
Proceeds from insurance income	878	–
Income taxes refund (paid)	(15,376)	(10,142)
Net cash provided by (used in) operating activities	54,217	47,163
<b>Cash flows from investing activities</b>		
Payments into time deposits	(13,403)	(14,380)
Proceeds from withdrawal of time deposits	15,748	12,859
Purchase of securities	–	(91)
Proceeds from sale and redemption of securities	0	–
Purchase of non-current assets	(18,185)	(19,019)
Proceeds from sale of non-current assets	76	2,341
Purchase of investment securities	(159)	(2)
Proceeds from sale of investment securities	3,239	291
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	*2 (11,128)	–
Other, net	(78)	(129)
Net cash provided by (used in) investing activities	(23,891)	(18,130)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from financing activities</b>		
Repayments of short-term borrowings	(281)	(197)
Repayments of lease liabilities	(1,841)	(1,851)
Repayments of long-term borrowings	(10,075)	(60)
Redemption of bonds	–	(10,000)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(400)
Proceeds from sale of treasury shares	1,026	367
Purchase of treasury shares	(16,632)	(9,999)
Purchase of treasury shares of subsidiaries	–	(363)
Dividends paid	(6,597)	(7,611)
Dividends paid to non-controlling interests	(754)	(1,239)
Net cash provided by (used in) financing activities	(35,154)	(31,355)
Effect of exchange rate change on cash and cash equivalents	3,902	2,885
Net increase (decrease) in cash and cash equivalents	(926)	562
Cash and cash equivalents at beginning of period	142,024	141,097
Cash and cash equivalents at end of period	*1 141,097	*1 141,659

**(5) Notes in Relation to the Consolidated Financial Statements****- Notes regarding the going concern assumption**

Not applicable.

**- Changes in presentation**

Not applicable.

**- Notes on consolidated balance sheet**

Not applicable.

**- Notes on consolidated statements of income and comprehensive income****\*1 Insurance claim income**

It is proceeds from insurance income for the fire accident that occurred in September 2014 at Nifco Korea Poland Sp.z o.o., an overseas consolidated subsidiary.

**\*2 Reversal of allowance for losses on business transfer**

The business transfer of the Company's consolidated subsidiaries, including Nifco Germany GmbH and Nifco KTW America Corporation, was completed on April 15, 2024. Regarding the allowance for losses on business transfer, which was estimated and recorded as related costs associated with the business transfer, the finalization of these expenses led to recording the difference between the expected and actual amounts as a reversal of allowance for losses on business transfer.

**\*3 Settlement payments**

As for a lawsuit which was pending in the previous consolidated accounting period, after reaching a settlement with the plaintiff on February 26, 2025, the loss amount was finalized, and recorded as a settlement payment.

**\*4 Loss on reversal of foreign currency translation adjustment**

This was a result of the reversal of foreign currency translation adjustment due to the completion of liquidation of the overseas subsidiary in Mexico that was a consolidated subsidiary.

**- Notes on consolidated statement of cash flows**

\*1. Reconciliation of cash and cash equivalents at end of period and the amount recorded in the consolidated balance sheet.

(Unit: Millions of yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Cash and deposits	146,232	148,622
Time deposits with maturities of more than three months	(6,476)	(8,202)
Short-term marketable securities with maturities of three months or less	1,340	1,239
Cash and cash equivalents	141,097	141,659

- \*2. The following is a major breakdown of assets and liabilities of companies that were deconsolidated following the sale of shares during the previous period.

Nifco Germany GmbH

Current assets	14,986 million yen
Non-current assets	33 million yen
Current liabilities	(5,169) million yen
Non-current liabilities	(2,325) million yen

Nifco KTW America Corporation

Current assets	7,133 million yen
Non-current assets	11 million yen
Current liabilities	(15,428) million yen
Non-current liabilities	(787) million yen

The amount of 11,128 million yen is presented as “payments for sale of shares of subsidiaries resulting in change in scope of consolidation,” taking into account the increase or decrease in cash and cash equivalents related to sale of shares from cash and cash equivalents included in the above current assets.

**- Notes on segment Information, etc.***[Business segment information]*

## 1. Description of Reportable Segments

The Company's reportable segments are those components of the Company for which separate financial information is available and are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate their performance.

The Company has two reportable segments based on the type and nature of its products: the industrial plastic parts & components segment and the bedding & furniture segment.

Major products and services in each reportable segment are as follows.

- (1) Industrial plastic parts & components: Industrial plastic fasteners and precision molded plastic products
- (2) Bedding & furniture: Various beds, reclining chairs

## 2. Explanation of Measurements of Sales, Profit (Loss), Assets, Liabilities, and Other Items for Each Reportable Segment

Accounting methods for reported business segments are generally the same as those described in "Notes - Significant accounting policies for preparation of consolidated financial statements."

The profit or loss of each reportable segment is its operating profit or loss.

Intersegment revenues are based on prevailing market prices.

## 3. Disclosure of Sales, Profit (Loss), Assets, Liabilities, and Other Items for Each Reportable Segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Unit: Millions of yen)

	Reportable segments			Adjustment (Note 1) (Note 3) (Note 4)	Amount reported in consolidated financial statements (Note 2)
	Industrial plastic parts & components	Bedding & furniture	Total		
Net sales					
(1) Net sales to external customers	315,942	37,096	353,038	—	353,038
(2) Intersegment sales or transfers	—	—	—	—	—
Total	315,942	37,096	353,038	—	353,038
Segment profit (loss)	49,016	5,967	54,984	(5,783)	49,200
Segment assets	260,920	46,705	307,626	72,189	379,816
Other items					
Depreciation	11,068	1,872	12,940	66	13,007
Increase in property, plant and equipment and intangible assets	18,811	706	19,517	216	19,734

- (Notes) 1. Adjustment of segment profit (loss) of (5,783) million yen represents corporate expenses. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.
2. Segment profit (loss) is adjusted for operating profit in the consolidated statement of income and statement of comprehensive income.
3. The adjustment of 72,189 million yen for segment assets includes 72,271 million yen in corporate assets not allocated to each reportable segment and (81) million yen in eliminated intersegment transactions.
4. The adjustment of 216 million yen for increase in property, plant and equipment and intangible assets represents capital investment in corporate assets that are not allocated to each reportable segment.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Unit: Millions of yen)

	Reportable segments			Adjustment (Note 1) (Note 3) (Note 4)	Amount reported in consolidated financial statements (Note 2)
	Industrial plastic parts & components	Bedding & furniture	Total		
Net sales					
(1) Net sales to external customers	315,691	36,958	352,650	–	352,650
(2) Intersegment sales or transfers	–	–	–	–	–
Total	315,691	36,958	352,650	–	352,650
Segment profit (loss)	47,663	5,970	53,634	(5,556)	48,078
Segment assets	269,904	48,286	318,190	75,399	393,590
Other items					
Depreciation	10,581	1,839	12,421	145	12,567
Increase in property, plant and equipment and intangible assets	17,791	732	18,523	41	18,564

- (Notes) 1. Adjustment of segment profit (loss) of (5,556) million yen represents corporate expenses. Corporate expenses are mainly general and administrative expenses not attributable to reportable segments.
2. Segment profit (loss) is adjusted for operating profit in the consolidated statement of income and statement of comprehensive income.
3. The adjustment of 75,399 million yen for segment assets includes 75,493 million yen in corporate assets not allocated to each reportable segment and (93) million yen in eliminated intersegment transactions.
4. The adjustment of 41 million yen for increase in property, plant and equipment and intangible assets represents capital investment in corporate assets that are not allocated to each reportable segment.

**- Notes on per-share information**

(Yen)

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Net assets per share	2,888.37	3,183.40
Basic earnings per share	461.95	361.44

(Notes) 1. Diluted earnings per share is not noted because there are no potential shares.

2. The basis for calculation of basic earnings per share is as follows.

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	44,767	34,079
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent available to common shares (millions of yen)	44,767	34,079
Average number of shares during the period (thousand shares)	96,910	94,289

(Notes) 3. The Company's shares remaining in trust, which are recorded as treasury shares in shareholders' equity, are included in the treasury shares deducted from the average number of shares during the period for the calculation of basic earnings per share, and are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period for the calculation of net assets per share.

Average number of shares of treasury stock during the period deducted in the calculation of basic earnings per share

Fiscal year ended March 31, 2025: 331,817 shares;

Fiscal year ended March 31, 2026: 301,882 shares

Number of said shares of treasury stock at the end of the period deducted in the calculation of net assets per share

Fiscal year ended March 31, 2025: 354,132 shares;

Fiscal year ended March 31, 2026: 252,401 shares

**- Significant events after reporting period**

Not applicable.

**- Omission of disclosure**

Disclosure of notes other than the above has been omitted because the necessity of disclosure in the summary of financial statements is not considered significant.