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**Consolidated Financial Results
for the Nine Months Ended December 31, 2025
<under Japanese GAAP>**

F-TECH INC.

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1. Overview of Operating Results and Others

(1) Overview of operating results for the nine-month period under review

The global economy during the nine months ended December 31, 2025 maintained a gradual recovery trend; however, uncertainty regarding the future has been increasing due to factors such as ongoing geopolitical risks, U.S. “America First” policies, and the deterioration of relations between Japan and China. In the automotive industry, the global shift toward electrification has continued, while demand for electrified vehicles has stagnated, particularly in the U.S. and European markets, due to factors such as the increase in import tariffs and the review of EV policy in the U.S. As a result, a clear trend has emerged toward a return to hybrid electric vehicles (HEVs) and plug-in hybrid electric vehicles (PHEVs). In addition, uncertainty continues to surround the industry environment due to the expanding presence of Chinese EV manufacturers in global markets and the reemergence of semiconductor procurement issues. In this business environment, the Group upheld the corporate policy “We contribute to society by improving earning power and achieving sustainable growth” and, under this policy, in line with the action guidelines “Back to Basics” and “Challenge for New,” undertook company-wide activities based on four pillars: Enhance Earning Power, Build a Sound Financial Structure, Pursue Strategic Growth Business Opportunities, and Build Sustainability Management. This led to the acquisition of important new orders in North America, while steadily advancing improvements in production efficiency.

As a result of these activities, during the nine months ended December 31, 2025, net sales decreased by 5.7% year on year to 209,043 million yen, operating profit increased by 90.7% to 4,853 million yen, ordinary profit increased by 223.1% to 3,839 million yen, and profit attributable to owners of parent was 1,462 million yen (loss attributable to owners of parent of 2,592 million yen in the same period of the previous year).

Operating results by segment are as follows.

(Japan)

Net sales decreased by 3.4% year on year to 21,461 million yen due to a decline in product sales, while, in terms of profit and loss, operating profit was 586 million yen (operating loss of 348 million yen in the same period of the previous year), reflecting a profit increase partly attributable to an increase in technical services and a decrease in expenses.

(North America)

Net sales decreased by 4.3% year on year to 159,429 million yen and operating profit decreased by 2.7% year on year to 4,143 million yen, reflecting a decrease in production volume at major customers caused by semiconductor procurement issues, as well as the impact of a strong yen.

(Asia)

Net sales decreased significantly by 14.2% year on year to 28,152 million yen due to a continued decline in production volume for major customers in the China region. In terms of profit and loss, operating profit of 617 million yen was recorded (operating loss of 1,464 million yen in the same period of the previous year), reflecting, among other things, the effects of structural reforms implemented in the China region and steady performance in Southeast Asian countries.

(2) Overview of financial position for the nine-month period under review

As of December 31, 2025, total assets increased by 965 million yen from the end of the previous fiscal year to 178,520 million yen, due in part to increases in cash and deposits, merchandise and finished goods, and construction in progress, despite decreases in items such as notes and accounts receivable - trade and machinery, equipment and vehicles.

Liabilities decreased by 1,438 million yen from the end of the previous fiscal year to 111,870 million yen, due in part to decreases in notes and accounts payable - trade and short-term loans payable, which offset increases in items such as long-term loans payable.

Net assets increased by 2,403 million yen from the end of the previous fiscal year to 66,649 million yen, due in part to increases in retained earnings and foreign currency translation adjustment.

(3) Information regarding consolidated earnings forecasts and other forward-looking statements

Regarding the consolidated earnings forecasts, a significant portion of product sales is planned for the fourth quarter, mainly in North America. Accordingly, no revisions have been made to the earnings forecasts for the fiscal year ending March 31, 2026, which were announced in the Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 on May 13, 2025.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	14,356	16,472
Notes and accounts receivable - trade	35,259	30,559
Merchandise and finished goods	6,752	9,056
Work in process	6,751	7,037
Raw materials and supplies	14,948	15,668
Other	3,440	2,700
Allowance for doubtful accounts	(13)	—
Total current assets	81,495	81,494
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,011	19,483
Machinery, equipment and vehicles, net	44,231	39,942
Construction in progress	5,119	9,204
Other, net	12,066	12,318
Total property, plant and equipment	81,428	80,949
Intangible assets	583	698
Investments and other assets		
Investment securities	9,242	9,772
Other	4,804	5,605
Total investments and other assets	14,047	15,378
Total non-current assets	96,059	97,025
Total assets	177,555	178,520

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	26,229	24,219
Short-term loans payable	32,481	26,444
Current portion of long-term loans payable	11,634	11,772
Income taxes payable	807	696
Provision for directors' bonuses	28	53
Other	10,865	16,390
Total current liabilities	82,047	79,577
Non-current liabilities		
Bonds payable	2,000	2,000
Long-term loans payable	24,139	24,607
Provision for directors' retirement benefits	61	59
Net defined benefit liability	793	937
Negative goodwill	22	18
Other	4,244	4,669
Total non-current liabilities	31,262	32,292
Total liabilities	113,309	111,870
Net assets		
Shareholders' equity		
Capital stock	6,790	6,790
Capital surplus	6,427	6,427
Retained earnings	21,989	23,077
Treasury shares	(79)	(76)
Total shareholders' equity	35,127	36,218
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	698	936
Deferred gains or losses on hedges	222	73
Foreign currency translation adjustment	14,667	15,280
Remeasurements of defined benefit plans	796	619
Total accumulated other comprehensive income	16,385	16,910
Non-controlling interests	12,733	13,520
Total net assets	64,246	66,649
Total liabilities and net assets	177,555	178,520

(2) Quarterly consolidated statements of income and comprehensive income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	221,704	209,043
Cost of sales	204,504	190,529
Gross profit	17,199	18,514
Selling, general and administrative expenses	14,654	13,661
Operating profit	2,545	4,853
Non-operating income		
Interest income	126	180
Dividend income	103	106
Share of profit of entities accounted for using equity method	91	112
Foreign exchange gains	249	—
Other	251	249
Total non-operating income	822	649
Non-operating expenses		
Interest expenses	2,163	1,607
Foreign exchange losses	—	46
Other	16	8
Total non-operating expenses	2,179	1,662
Ordinary profit	1,188	3,839
Extraordinary income		
Gain on sales of non-current assets	61	184
Gain on sales of investment securities	—	0
Total extraordinary income	61	184
Extraordinary losses		
Loss on sales of non-current assets	—	0
Loss on retirement of non-current assets	46	59
Total extraordinary losses	46	60
Profit before income taxes	1,202	3,964
Income taxes - current	3,244	3,046
Income taxes - deferred	598	(1,133)
Total income taxes	3,842	1,913
Profit (loss)	(2,639)	2,050
Profit (loss) attributable to		
Profit (loss) attributable to owners of parent	(2,592)	1,462
Profit (loss) attributable to non-controlling interests	(46)	588
Other comprehensive income		
Valuation difference on available-for-sale securities	(285)	218
Deferred gains or losses on hedges	(80)	(152)
Foreign currency translation adjustment	1,418	1,105
Remeasurements of defined benefit plans, net of tax	0	(170)
Share of other comprehensive income of entities accounted for using equity method	209	104
Total other comprehensive income	1,261	1,105
Comprehensive income	(1,378)	3,155
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,392)	1,987
Comprehensive income attributable to non-controlling interests	13	1,167

(3) Notes to quarterly consolidated financial statements

Application of special accounting for preparing quarterly consolidated financial statements

(Calculation of tax expenses)

Tax expenses in the quarterly consolidated financial statements for a portion of consolidated subsidiaries are calculated first by reasonably estimating the effective tax rate after applying tax effect accounting against profit before income taxes for the fiscal year including the third quarter ended December 31, 2025, and next by multiplying the quarterly profit (loss) before income taxes by such estimated effective tax rate.

Segment information, etc.

Segment information

I. Nine months ended December 31, 2024

1. Disclosure of net sales and profit (loss) for each reportable segment

(Millions of yen)

	Reportable segments			Total
	Japan	North America	Asia	
Net sales				
Net sales to external customers	22,228	166,653	32,822	221,704
Intersegment sales and transfers	9,005	1,197	2,355	12,558
Total	31,234	167,850	35,178	234,263
Segment profit (loss)	(348)	4,256	(1,464)	2,443

2. Differences between total amounts of profit (loss) for reportable segments and amounts in the consolidated statements of income and comprehensive income and main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	2,443
Elimination of intersegment transactions	101
Operating profit in the consolidated statements of income and comprehensive income	2,545

3. Disclosure of impairment loss on non-current assets and goodwill, etc. for each reportable segment Not applicable.

II. Nine months ended December 31, 2025

1. Disclosure of net sales and profit (loss) for each reportable segment

(Millions of yen)

	Reportable segments			Total
	Japan	North America	Asia	
Net sales				
Net sales to external customers	21,461	159,429	28,152	209,043
Intersegment sales and transfers	9,198	1,018	2,822	13,039
Total	30,660	160,448	30,974	222,082
Segment profit	586	4,143	617	5,347

2. Differences between total amounts of profit (loss) for reportable segments and amounts in the consolidated statements of income and comprehensive income and main details of these differences (matters relating to difference adjustments)

(Millions of yen)

Profit	Amount
Reportable segments total	5,347
Elimination of intersegment transactions	(494)
Operating profit in the consolidated statements of income and comprehensive income	4,853

3. Disclosure of impairment loss on non-current assets and goodwill, etc. for each reportable segment
Not applicable.

Substantial changes in the amount of shareholders' equity

Not applicable.

Uncertainties of entity's ability to continue as going concern

Not applicable.

Statements of cash flows

The consolidated statements of cash flows for the nine months ended December 31, 2025 are not prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of negative goodwill for the nine months ended December 31, 2025 were as follows:

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	11,347	9,602
Amortization of negative goodwill	(4)	(4)