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October 31, 2025

Consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: TSUBAKIMOTO CHAIN CO.

Listing: Tokyo Stock Exchange

Securities code: 6371

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Scheduled date to file semi-annual securities report: November 7, 2025

Scheduled date to commence dividend payments: December 2, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

President and Representative Director
Manager, Corporate Planning Department

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	135,634	(0.5)	8,302	(12.2)	10,116	(9.9)	9,921	(0.9)
September 30, 2024	136,360	5.9	9,459	9.7	11,225	8.3	10,014	37.2

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 9,332 million [105.1 %]
For the six months ended September 30, 2024: ¥ 4,550 million [(81.1) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	99.12	-
September 30, 2024	94.96	-

(Note) Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. Basic earnings per share is calculated assuming that such stock split was conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	368,045	257,227	69.3
March 31, 2025	371,510	262,162	69.9

Reference: Equity

As of September 30, 2025: ¥ 255,036 million
As of March 31, 2025: ¥ 259,810 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended March 31, 2025	Yen -	Yen 99.00	Yen -	Yen 47.00	Yen -
Fiscal year ending March 31, 2026	-	40.00			
Fiscal year ending March 31, 2026 (Forecast)			-	40.00	80.00

Note: Revisions to the forecast of cash dividends most recently announced: None

(Note) Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. The dividend per share for the 2nd quarter-end of the fiscal year ended March 31, 2025 reflects the amount before the stock split. Accordingly, the total annual dividend per share is shown as “-.” The dividend per share in the fiscal year ended March 31, 2025 factoring in the stock split is 33 yen for the 2nd quarter-end, and 80 yen for the full year.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Full year	284,000	1.7	20,000	(12.5)	22,000	(13.2)	19,000	(14.1)	189.15

Note: Revisions to the financial result forecast most recently announced: Yes

* Notes

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2025	106,213,279 shares
As of March 31, 2025	106,213,279 shares

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

As of September 30, 2025	8,396,516 shares
As of March 31, 2025	3,648,863 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	100,091,356 shares
Six months ended September 30, 2024	105,456,729 shares

(Note) Effective October 1, 2024, the Company split its common shares at a ratio of 1 to 3. “Average number of shares outstanding during the period” is calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

Proper use of earnings forecasts, and other special matters

The consolidated financial results forecast is based on currently available information and certain assumptions which the

* Company believes reasonable and includes risks and uncertainties. Actual business results may differ materially from the forecast figures due to changes in business conditions surrounding the Tsubaki Group, market trends, or fluctuations in currency exchange rates. Furthermore, factors that may affect business results are not limited to these factors.

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1. Summary of Business Results and Other Financial Information

(1) Summary of Business Results for the Six Months under Review

Regarding the global economy in the six months ended September 30, 2025, despite heightened downside risks stemming from U.S. tariff policies, the economy overall remained on a moderate recovery path, supported by economic measures implemented by various countries. The U.S. economy, although experiencing a slowdown in personal consumption due to higher corporate costs and rising prices from tariffs, remained firm, supported by solid corporate capital investment. The European and Chinese economies experienced sluggish growth due to weak external demand but managed to avoid severe downturns through fiscal stimulus measures.

Although positive developments were seen in the Japanese economy, including a recovery in inbound demand and increased capital investment to address labor shortages, uncertainty in the export environment, together with slow growth in real incomes due to rising prices, continued to restrain the recovery in personal consumption, resulting in weak overall economic momentum.

Looking ahead to prospects for the global economy, although downside pressure on growth is expected to intensify due to U.S. tariff policies, we anticipate that it will remain on a recovery trajectory, supported by fiscal policies and economic measures implemented in each country. In the Japanese economy, corporate capital investment is expected to remain a supporting factor, but we anticipate that overall weakness will persist, reflecting factors such as a projected decline in exports as the impacts of the tariff measures fully materialize.

Under this environment, building toward “What we want to be in 2030” that we set forth in the Long-Term Vision 2030, the Group will continue to focus on implementing various initiatives with an awareness of capital cost, as well as strengthening management control, in addition to fully delivering on the initiatives under the Mid-Term Management Plan 2025 started in fiscal 2021. As a result, orders received by the Tsubaki Group for the six-month period were up 6.6% year-on-year to ¥146,722 million, while net sales decreased 0.5% year-on-year to ¥135,634 million.

Operating profit decreased 12.2% year on year to ¥8,302 million, and ordinary profit decreased 9.9% year on year to ¥10,116 million, while profit attributable to owners of parent decreased 0.9% year on year to ¥9,921 million.

Segment results are summarized as follows:

[Chains]

In the Chains segment, net sales increased year on year due to such factors as a rise in sales in Japan, the Americas, Europe, and the Indian Ocean Rim.

The segment recorded year-on-year increases of 8.9% in orders received to ¥49,241 million, and 3.7% in net sales to ¥48,050 million. However, operating profit declined by 4.5% year on year to ¥6,920 million due to the impact of U.S. tariffs and other factors.

[Motion Control]

In the Motion Control segment, net sales were up year on year due to an increase in sales in Japan, the Americas, Europe, the Indian Ocean Rim, and China.

The segment recorded year-on-year increases of 4.3% in orders received to ¥11,494 million, and 4.1% in net sales to ¥11,587 million. Operating profit increased by 190.8% to ¥423 million.

[Mobility]

In the Mobility segment, net sales increased year on year due to factors such as an increase in the sales of timing chain systems for automobile engines and other items at bases in Japan, the Americas, and Europe.

The segment recorded year-on-year increases of 2.5% in orders received to ¥45,356 million, 1.4% in net sales to ¥45,328 million, and 21.4% in operating profit to ¥4,472 million.

[Materials Handling Systems]

In the Materials Handling Systems segment, net sales declined year on year, as sales increases of systems for the construction machinery industry and newspaper printing plants in Japan as well as powder and grain conveyance

systems in the Indian Ocean Rim were offset by factors including the decline in sales in the Americas of systems for the automotive industry as well as metalworking chip handling and coolant processing systems.

The segment recorded an increase in orders received of 10.2% year on year to ¥39,444 million and a decrease in net sales of 10.4% year on year to ¥29,526 million, resulting in an operating loss of ¥494 million (operating loss in the same period of the previous fiscal year was ¥106 million).

[Other]

The segment recorded year-on-year decreases of 11.7% in orders received to ¥1,184 million, and 9.7% in net sales to ¥1,142 million, and an operating loss of ¥484 million (operating loss in the same period of the previous fiscal year was ¥504 million).

(2) Summary of Financial Position in the Six Months under Review

(Assets)

Total assets at the end of the six-month period ended September 30, 2025 were ¥368,045 million, down ¥3,464 million from the end of the previous consolidated fiscal year.

Current assets totaled ¥191,553 million, a decrease of ¥1,759 million from the end of the previous consolidated fiscal year. This was partly due to a decrease of ¥3,527 million in “Cash and deposits” and a decrease of ¥1,677 million in “Electronically recorded monetary claims - operating,” despite an increase of ¥1,994 million in inventories due to an increase in “Merchandise and finished goods” and other inventory items, and a ¥1,583 million increase in “Other current assets.”

Non-current assets amounted to ¥176,492 million, down ¥1,704 million from the end of the previous consolidated fiscal year. The decrease was partly attributable to decreases of ¥1,133 million in deferred tax assets, ¥589 million in “Investment securities” (owing to the sale of securities and the inclusion of additional subsidiaries in the scope of consolidation which offset an increase in the market value of securities held by the Company,) and ¥118 million in “Intangible assets,” despite a ¥386 million increase in “Property, plant and equipment” due to factors including the completion of the Fukui Mihama Plant.

(Liabilities)

Total liabilities as of September 30, 2025 were ¥110,818 million, up ¥1,470 million from the end of the previous consolidated fiscal year. This was attributable to various factors including increases of ¥1,243 million in “Electronically recorded obligations - non-operating,” ¥667 million in “Income taxes payable,” and ¥592 million in “Other current liabilities,” which outweighed a ¥929 million decrease in “Provision for bonuses.”

(Net assets)

Net assets as of September 30, 2025 were ¥257,227 million, down ¥4,935 million from the end of the previous consolidated fiscal year, and the equity ratio was 69.3%. This was attributable to numerous factors, including an increase (decrease in net assets) of ¥9,189 million in “Treasury shares” due to share purchases, and a ¥1,447 million decrease in “Foreign currency translation adjustment,” despite a ¥5,232 million increase in “Retained earnings.”

(3) Discussion of Future Outlook including Consolidated Financial Results Forecast

Based on the actual results for the six-month period ended September 30, 2025, and the current outlook, the Company has revised its consolidated financial results forecast for the full year of the fiscal year ending March 31, 2026, announced on May 14, 2025 as follows:

The exchange rate assumptions for the second half of the fiscal year, which form the basis for the full-year consolidated financial results forecast, are: 1 USD=148 JPY, and 1 Euro=170 JPY.

Revised full-year consolidated financial results forecast for the fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026)

	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
Previously released forecast (A) (Released May 14, 2025)	290,000	21,500	23,000	20,000	204.05
Revised forecast (B)	284,000	20,000	22,000	19,000	189.15
Increase/(Decrease) (B-A)	(6,000)	(1,500)	(1,000)	(1,000)	—
Percentage increase/(decrease) (%)	(2.1)	(7.0)	(4.3)	(5.0)	—

2. Semi-annual Consolidated Financial Statements and Primary Notes

(1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	67,945	64,418
Notes and accounts receivable - trade, and contract assets	47,041	46,176
Electronically recorded monetary claims - operating	17,598	15,921
Securities	780	1,516
Merchandise and finished goods	23,763	25,501
Work in process	17,668	18,749
Raw materials and supplies	14,728	13,904
Other	4,796	6,380
Allowance for doubtful accounts	(1,011)	(1,015)
Total current assets	193,313	191,553
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	33,679	34,848
Machinery, equipment and vehicles, net	33,828	33,277
Tools, furniture and fixtures, net	4,836	4,817
Land	38,686	38,844
Construction in progress	6,665	6,294
Total property, plant and equipment	117,695	118,082
Intangible assets		
Goodwill	1,677	1,592
Other	7,567	7,534
Total intangible assets	9,245	9,126
Investments and other assets		
Investment securities	39,876	39,287
Retirement benefit asset	344	370
Other	11,137	9,724
Allowance for doubtful accounts	(102)	(98)
Total investments and other assets	51,255	49,283
Total non-current assets	178,197	176,492
Total assets	371,510	368,045

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,284	16,457
Electronically recorded obligations - operating	3,650	3,301
Short-term borrowings	4,271	4,245
Current portion of bonds payable	5,000	5,000
Current portion of long-term borrowings	1,573	127
Income taxes payable	2,239	2,907
Provision for bonuses	6,141	5,211
Provision for loss on construction contracts	81	87
Provision for shareholder benefit program	126	-
Electronically recorded obligations - non-operating	1,315	2,558
Other	21,822	22,414
Total current liabilities	62,505	62,311
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	4,300	5,734
Provision for retirement benefits for directors (and other officers)	159	136
Retirement benefit liability	12,461	12,830
Asset retirement obligations	631	640
Other	19,289	19,164
Total non-current liabilities	46,842	48,507
Total liabilities	109,348	110,818
Net assets		
Shareholders' equity		
Share capital	17,076	17,076
Capital surplus	12,587	12,217
Retained earnings	192,135	197,368
Treasury shares	(6,018)	(15,208)
Total shareholders' equity	215,781	211,454
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,495	20,496
Deferred gains or losses on hedges	(13)	(6)
Revaluation reserve for land	(10,744)	(10,744)
Foreign currency translation adjustment	34,446	32,999
Remeasurements of defined benefit plans	844	836
Total accumulated other comprehensive income	44,028	43,581
Non-controlling interests	2,352	2,190
Total net assets	262,162	257,227
Total liabilities and net assets	371,510	368,045

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	136,360	135,634
Cost of sales	97,289	95,554
Gross profit	39,070	40,080
Selling, general and administrative expenses	29,610	31,778
Operating profit	9,459	8,302
Non-operating income		
Interest income	700	804
Dividend income	1,147	708
Foreign exchange gains	-	243
Other	812	590
Total non-operating income	2,660	2,346
Non-operating expenses		
Interest expenses	139	156
Foreign exchange losses	357	-
Other	398	376
Total non-operating expenses	894	532
Ordinary profit	11,225	10,116
Extraordinary income		
Gain on step acquisitions	-	71
Gain on sale of investment securities	2,781	3,905
Total extraordinary income	2,781	3,976
Extraordinary losses		
Loss on valuation of shares of subsidiaries and associates	-	371
Total extraordinary losses	-	371
Profit before income taxes	14,007	13,721
Income taxes - current	3,808	3,298
Income taxes - deferred	160	476
Total income taxes	3,968	3,775
Profit	10,039	9,946
Profit attributable to non-controlling interests	24	24
Profit attributable to owners of parent	10,014	9,921

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	10,039	9,946
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,796)	1,000
Deferred gains or losses on hedges	150	7
Foreign currency translation adjustment	1,119	(1,585)
Remeasurements of defined benefit plans, net of tax	(4)	(7)
Share of other comprehensive income of entities accounted for using equity method	41	(28)
Total other comprehensive income	(5,489)	(613)
Comprehensive income	4,550	9,332
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,286	9,474
Comprehensive income attributable to non-controlling interests	263	(141)

(3) Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	14,007	13,645
Depreciation	7,006	7,054
Amortization of goodwill	97	180
Loss (gain) on sale and retirement of non-current assets	14	33
Loss (gain) on valuation of investment securities	-	1
Loss on valuation of shares of subsidiaries and associates	96	371
Loss (gain) on sale of investment securities	(2,781)	(3,906)
Increase (decrease) in allowance for doubtful accounts	14	(11)
Increase (decrease) in retirement benefit liability	179	340
Decrease (increase) in trade receivables	5,207	2,799
Decrease (increase) in inventories	677	(1,790)
Increase (decrease) in trade payables	(6,148)	(502)
Other, net	(3,452)	(2,638)
Subtotal	14,918	15,577
Interest and dividends received	1,653	1,479
Interest paid	(130)	(165)
Income taxes paid	(4,723)	(3,199)
Net cash provided by (used in) operating activities	11,718	13,691
Cash flows from investing activities		
Payments into time deposits	(2,889)	(2,857)
Proceeds from withdrawal of time deposits	2,000	3,049
Purchase of investment securities	(11)	(10)
Proceeds from sale of investment securities	2,987	4,254
Purchase of investments in capital of subsidiaries resulting in change in scope of consolidation	-	(274)
Purchase of shares of subsidiaries and associates	(2,094)	(499)
Net decrease (increase) in short-term loans receivable	4	2
Long-term loan advances	(6)	(7)
Proceeds from collection of long-term loans receivable	8	7
Purchase of non-current assets	(6,333)	(5,424)
Proceeds from sale of non-current assets	101	178
Net cash provided by (used in) investing activities	(6,233)	(1,581)

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4)	(7)
Proceeds from long-term borrowings	2,150	1,450
Repayments of long-term borrowings	(4,132)	(1,501)
Repayments of finance lease liabilities	(493)	(450)
Dividends paid	(3,585)	(4,820)
Dividends paid to non-controlling interests	(35)	(19)
Purchase of treasury shares	(9,150)	(9,276)
Proceeds from sale of treasury shares	0	0
Net cash provided by (used in) financing activities	(15,251)	(14,625)
Effect of exchange rate change on cash and cash equivalents	(66)	(500)
Net increase (decrease) in cash and cash equivalents	(9,833)	(3,016)
Cash and cash equivalents at beginning of period	74,655	63,316
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	679
Cash and cash equivalents at end of period	64,821	60,980