

Consolidated Financial Results for the Nine Months Ended September 30, 2025 Unaudited [IFRS]



November 11, 2025

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 Stock exchange listing: Tokyo Stock Exchange
 Code number: 6464
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 Availability of supplementary briefing material on financial results: Available
 Schedule of financial results briefing session: None

(Amounts of less than one million yen are rounded.)

1. Consolidated Financial Results for the Nine months ended September 30, 2025 (January 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Sales		Operating profit		Profit before taxes		Net profit for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2025	52,762	(9.5)	891	(65.4)	(807)	—	(1,132)	—
September 30, 2024	58,323	3.1	2,573	(7.4)	1,583	(41.0)	737	(38.1)

	Net profit for the period attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Million yen	%	Million yen	%	Yen	Yen
Nine months ended September 30, 2025	(1,130)	—	(2,191)	—	(29.07)	(29.07)
September 30, 2024	738	(38.1)	2,614	(72.3)	18.54	16.43

(Note) The manufacturing and sales business of ball screws and ball ways has been classified as a discontinued operation. For the third quarter cumulative period of the previous fiscal year and current fiscal year, revenue, operating profit, and profit before tax are presented excluding the discontinued operation, and quarterly profit and quarterly profit attributable to the parent company are presented as the total of continuing operations and discontinued operations.

(Reference) EBITDA: The Nine months ended September, 2025: 3,589 million yen (down 29.1%)
 The Nine months ended September, 2024: 5,062 million yen
 EBITDA = Operating profit + depreciation and amortization

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of September 30, 2025	171,111	58,605	58,571	34.2
As of December 31, 2024	174,721	61,508	61,472	35.2

2. Dividends

	Annual dividends				
	1st Quarter -end	2nd Quarter -end	3rd Quarter -end	Year -end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	15.00	—	10.00	25.00
Fiscal year ending December 31, 2025	—	0.00	—		
Fiscal year ending December 31, 2025 (Forecast)				0.00	0.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

(% indicates changes from the previous corresponding period.)

	Sales		Operating profit		Profit before taxes		Net profit for the period attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	71,500	(5.8)	1,000	22.9	(600)	—	(800)	—	(20.58)

Note: Revisions to the most recently announced earnings forecasts: None

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
 - 1) Changes in accounting policies required by IFRS: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
- (3) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2025:	41,599,600 shares
December 31, 2024:	41,599,600 shares
 - 2) Total number of treasury shares at the end of the period:

September 30, 2025:	3,346,658 shares
December 31, 2024:	1,760,958 shares
 - 3) Average number of shares during the period:

Nine months ended September 30, 2025:	38,880,389 shares
Nine months ended September 30, 2024:	39,801,021 shares

Note: The number of treasury shares at the end of the period includes shares held by the “BIP Trust” and the “ESOP Trust” (1,612,047 shares at the end of the nine months ended September 30, 2025 and 26,347 shares at the end of the December 2024). Furthermore, shares of the Company held by each trust are included in the shares deducted when calculating the average number of shares during the period.

※Review of the quarterly consolidated financial statements by a certified public accountant or auditing firm: None

※Explanation of the proper use of financial results forecast and other notes:

(Caution concerning forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed to be reasonable and are not intended to be construed as assurance that they will be accomplished in the future. Actual results may differ significantly from these forecasts due to a wide range of factors.

1. Qualitative Information on Financial Results

(1) Explanation of Business Results

During the current consolidated third quarter accounting period, although uncertainty increased due to U.S. tariff policies, subsequent negotiations among major economies helped ease trade tensions, and the global economy maintained stable growth.

The United States faced concerns of an economic slowdown due to a decline in service consumption. However, the economy remained resilient, supported by the introduction of fiscal stimulus measures — including tax cuts and spending reductions — along with monetary easing policies. In Europe, although certain areas within the Eurozone experienced slower growth, the overall economy remained firm, supported by a stable employment environment and declining inflation. In China, despite prolonged weakness in real estate development investment, economic growth was sustained through government-led stimulus measures that supported consumer demand. In Japan, the economy continued on a moderate recovery path, supported by improvements in employment and income conditions and increased inbound demand, despite some adverse effects stemming from U.S. trade policies. However, looking ahead, the outlook remains uncertain due to the global rise in protectionist policies, persistent uncertainty surrounding U.S. tariff policies, and heightened geopolitical risks, including prolonged instability in Ukraine and the Middle East.

For the third quarter of the fiscal year ending December 2025, our group's performance is presented primarily based on figures from continuing operations, excluding discontinued operations, following the reclassification of the ball screw and ball way manufacturing and sales business as a discontinued operation from the previous consolidated fiscal year.

Revenue for the third quarter decreased by 9.5% year-on-year to 52,762 million yen, as a decline in market share—caused by the prolonged downturn in the automotive industry and intensified price competition—led to lower sales in Europe and a significant drop in global sales of ceramic balls and rollers compared to the same period of the previous year.

In terms of profits, although the Company continued efforts to reduce procurement and production costs as part of the new Mid-Term Business Plan announced on February 17, 2025, operating profit declined by 65.4% year-on-year to 891 million yen, mainly due to decreased sales, intensified price competition, and rising labor costs. Net profit attributable to owners of the parent company decreased by 1,868 million yen compared to the same period of the previous year, resulting in a net loss of 1,130 million yen.

<Results by Business Segment >

Precision Components Business

Sales revenue in the Precision Components Business declined significantly by 9.6% year-on-year to 52,129 million yen, mainly due to the prolonged downturn in the automotive industry and intensified price competition, which led to a decline in market share. Despite continued efforts to reduce procurement and production costs, segment profit decreased by 67.8% year-on-year to 775 million yen, primarily due to decreased sales, intensified competition, and rising labor costs.

Blower & Real Estate Business

Sales revenue in the Blower & Real Estate Business increased by 0.1% year-on-year to 633 million yen. Segment profit declined by 31.9% year-on-year to 116 million yen due to rising labor costs.

(2) Explanation of Financial Position

Total assets at the end of the nine months ended September 30, 2025 decreased by 3,610 million yen from the end of the previous fiscal year to 171,111 million yen. Non-current assets decreased by 3,938 million yen because intangible assets and goodwill decreased by 1,131 million yen, and other non-current assets decreased by 1,614 million yen.

Total liabilities decreased by 707 million yen from the end of the previous fiscal year to 112,506 million yen. This was due to a decrease in bonds and borrowings of 1,277 million yen.

Total equity decreased by 2,903 million yen from the end of the previous fiscal year to 58,605 million yen. This was mainly due to a decrease of 1,496 million yen in retained earnings and a decrease of 808 million yen in other components of equity, such as foreign currency translation adjustments.

(Analysis of Status of Cash Flows)

The status of cash flow for each activity and their factors during the nine months ended September 30, 2025 are as follows.

Net cash provided by operating activities amounted to 8,205 million yen. Major factors are a decrease in inventories of 4,379 million yen, also trade and other receivables of 1,121 million yen and depreciation and amortization of 2,709 million yen offset loss before taxes of 807 million yen.

Net cash used in investing activities amounted to 799 million yen, mainly due to purchase of property, plant and equipment.

Net cash used in financing activities amounted to 1,219 million yen, mainly due to payments of 603 million yen for acquisition of treasury stock and dividends of 378 million yen.

After subtracting the translation adjustments of 118 million yen due mainly to the strengthening of the yen relative to the prior fiscal year-end, cash and cash equivalents at the end of the nine months ended September 30, 2025 totaled 29,403 million yen, an increase of 6,069 million yen from the end of the previous fiscal year.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There are no changes to the consolidated earnings forecast for the fiscal year ending December 2025, which was announced on 17 February 2025.

2. Summary information (notes)

(1) Changes in significant subsidiaries during the period

Not applicable.

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

The accounting policies of materiality applied in the Group's condensed interim consolidated financial statements are the same as those applied in the consolidated financial statements for the previous fiscal year.

3. Condensed Interim Consolidated Financial Statements

(1) Condensed Interim Consolidated Statements of Financial Position

(Millions of yen)

	As of December 31, 2024	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	23,060	29,205
Trade and other receivables, net	20,685	19,111
Inventories	36,078	30,972
Other current assets	1,690	1,846
Subtotal	81,513	81,134
Assets held for sale	3,450	4,157
Total current assets	84,963	85,291
Non-current assets		
Property, plant and equipment, net	36,695	35,928
Intangible assets, net and goodwill	41,511	40,380
Other investments	251	38
Deferred tax assets	3,097	2,884
Other non-current assets	8,204	6,590
Total non-current assets	89,758	85,820
Total assets	174,721	171,111
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	6,366	6,045
Current portion of borrowings	11,356	11,655
Income taxes payable	1,787	1,272
Other current liabilities	6,459	7,162
Subtotal	25,968	26,134
Liabilities directly associated with assets held for sale	780	823
Total current liabilities	26,748	26,957
Non-current liabilities		
Bonds and borrowings, excluding current portion	81,294	79,718
Net defined benefit liability	2,176	1,924
Deferred tax liabilities	1,409	1,464
Other non-current liabilities	1,586	2,443
Total non-current liabilities	86,465	85,549
Total liabilities	113,213	112,506
Equity		
Share capital	17,117	17,117
Capital surplus	11,317	11,315
Treasury stock	(2,298)	(2,901)
Other components of equity	19,611	18,803
Other components of equity related to disposal groups classified as held for sale	239	247
Retained earnings	15,486	13,990
Equity attributable to owners of the parent	61,472	58,571
Non-controlling interests	36	34
Total equity	61,508	58,605
Total liabilities and equity	174,721	171,111

(2) Condensed Interim Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Continued Operations		
Sales	58,323	52,762
Cost of sales	49,447	44,536
Gross profit	8,876	8,226
Selling, general and administrative expenses	6,227	7,544
Other income	178	228
Other expenses	254	19
Operating profit	2,573	891
Financial income	309	280
Financial expenses	1,299	1,978
Profit (loss) before taxes	1,583	(807)
Income tax expense	809	137
Net profit (loss) for the period of continued operations	774	(944)
Discontinued Operations		
Net profit (loss) for the period of discontinued operations	(37)	(188)
Net profit (loss) for the period	737	(1,132)
Net profit for the period attributable to:		
Owners of the parent	738	(1,130)
Non-controlling interests	(1)	(2)
Net profit (loss) for the period	737	(1,132)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at FVOCI	7	26
Total items that will not be reclassified to profit or loss	7	26
Items that may subsequently be reclassified to profit or loss		
Foreign currency translation differences	1,732	(1,101)
Cash flow hedges	143	(27)
Hedge costs	(5)	43
Total items that may subsequently be reclassified to profit or loss	1,870	(1,085)
Other comprehensive income, net of tax	1,877	(1,059)
Total comprehensive income	2,614	(2,191)
Total comprehensive income attributable to:		
Owners of the parent	2,616	(2,189)
Non-controlling interests	(2)	(2)
Total comprehensive income	2,614	(2,191)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Earnings per share attributable to owners of the parent		
Basic earnings (loss) per share (yen)		
Continued operations	19.45	(24.28)
Discontinued operations	(0.91)	(4.79)
Basic earnings (loss) per share	18.54	(29.07)
Diluted earnings (loss) per share (yen)		
Continued operations	17.09	(24.28)
Discontinued operations	(0.66)	(4.79)
Diluted earnings (loss) per share	16.43	(29.07)

(3) Condensed Interim Consolidated Statements of Changes in Equity

For the nine months ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Treasury stock	Other components equity			
				Stock acquisition rights	Financial assets measured at FVOCI	Foreign currency translation differences	Cash flow hedge
Balance as of January 1, 2024	17,117	11,617	(2,616)	0	22	12,774	(191)
Net profit (loss) for the period	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	7	1,733	143
Total comprehensive Income	—	—	—	—	7	1,733	143
Dividends	—	—	—	—	—	—	—
Acquisition of treasury stock	—	—	—	—	—	—	—
Disposition of treasury stock	—	—	318	—	—	—	—
Stock-based rewards	—	(296)	—	—	—	—	—
Other components of equity related to disposal groups held for sale	—	—	—	—	—	(195)	—
Expiration of stock acquisition rights	—	—	—	(0)	—	—	—
Transfer to retained earnings	—	—	—	—	—	—	—
Total transactions with owners and other	—	(296)	318	(0)	—	(195)	—
Balance as of September 30, 2024	17,117	11,321	(2,298)	0	29	14,312	(48)

(Millions of yen)

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components equity		Other components of equity related to disposal groups classified as held for sale	Retained earnings	Total		
	Hedge costs	Total					
Balance as of January 1, 2024	175	12,780	—	15,209	54,107	35	54,142
Net profit (loss) for the period	—	—	—	738	738	(1)	737
Other comprehensive income	(5)	1,878	—	—	1,878	(1)	1,877
Total comprehensive income	(5)	1,878	—	738	2,616	(2)	2,614
Dividends	—	—	—	(598)	(598)	—	(598)
Acquisition of treasury stock	—	—	—	—	—	—	—
Disposition of treasury stock	—	—	—	—	318	—	318
Stock-based rewards	—	—	—	—	(296)	—	(296)
Other components of equity related to disposal groups held for sale	—	(195)	195	—	—	—	—
Expiration of stock acquisition rights	—	(0)	—	—	(0)	—	(0)
Transfer to retained earnings	—	—	—	—	—	—	—
Total transactions with owners and other	—	(195)	195	(598)	(576)	—	(576)
Balance as of September 30, 2024	170	14,463	195	15,349	56,147	33	56,180

For the nine months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent						
	Share capital	Capital surplus	Treasury stock	Other components equity			
				Stock acquisition rights	Financial assets measured at FVOCI	Foreign currency translation differences	Cash flow hedge
Balance as of January 1, 2025	17,117	11,317	(2,298)	—	5	19,397	136
Net profit (loss) for the period	—	—	—	—	—	—	—
Other comprehensive income	—	—	—	—	26	(1,101)	(27)
Total comprehensive Income	—	—	—	—	26	(1,101)	(27)
Dividends	—	—	—	—	—	—	—
Acquisition of treasury stock	—	—	(603)	—	—	—	—
Disposition of treasury stock	—	—	—	—	—	—	—
Stock-based rewards	—	(2)	—	—	—	—	—
Other components of equity related to disposal groups held for sale	—	—	—	—	—	(8)	—
Expiration of stock acquisition rights	—	—	—	—	—	—	—
Transfer to retained earnings	—	—	—	—	(32)	—	—
Reclassification from financial liabilities	—	—	—	291	—	—	—
Total transactions with owners and other	—	(2)	(603)	291	(32)	(8)	—
Balance as of September 30, 2025	17,117	11,315	(2,901)	291	(1)	18,288	109

(Millions of yen)

	Equity attributable to owners of the parent					Non-controlling interests	Total equity
	Other components equity		Other components of equity related to disposal groups classified as held for sale	Retained earnings	Total		
	Hedge costs	Total					
Balance as of January 1, 2025	73	19,611	239	15,486	61,472	36	61,508
Net profit (loss)for the period	—	—	—	(1,130)	(1,130)	(2)	(1,132)
Other comprehensive income	43	(1,059)	—	—	(1,059)	0	(1,059)
Total comprehensive income	43	(1,059)	—	(1,130)	(2,189)	(2)	(2,191)
Dividends	—	—	—	(398)	(398)	—	(398)
Acquisition of treasury stock	—	—	—	—	(603)	—	(603)
Disposition of treasury stock	—	—	—	—	—	—	—
Stock-based rewards	—	—	—	—	(2)	—	(2)
Other components of equity related to discontinued operation for sale	—	(8)	8	—	—	—	—
Expiration of stock acquisition rights	—	—	—	—	—	—	—
Transfer to retained earnings	—	(32)	—	32	—	—	—
Reclassification from financial liabilities	—	291	—	—	291	—	291
Total transactions with owners and other	—	251	8	(366)	(712)	—	(712)
Balance as of September 30, 2025	116	18,803	247	13,990	58,571	34	58,605

(4) Condensed Interim Consolidated Statements of Cash Flows

(Millions of yen)

	For the nine months ended September 30, 2024	For the nine months ended September 30, 2025
Cash flows from operating activities		
Profit (loss) before taxes	1,583	(807)
(Loss) before tax from discontinued operations	(54)	(195)
Depreciation and amortization	2,498	2,709
Increase (decrease) in net defined benefit liability	109	(324)
Interest and dividend income	(188)	(187)
Interest expense	1,107	1,172
Foreign exchange (gains) losses	(273)	451
(Gains) losses on sale of fixed assets	(77)	(2)
Decrease in trade and other receivables	2,211	1,121
(Increase) decrease in inventories	(562)	4,379
(Decrease) in trade and other payables	(1,761)	(267)
Other, net	127	1,486
Subtotal	4,720	9,536
Interest and dividends received	188	187
Interest paid	(996)	(1,068)
Income taxes paid	(1,913)	(450)
Net cash provided by operating activities	1,999	8,205
Cash flows from investing activities		
Payments for acquisition of property, plant and equipment	(2,628)	(1,023)
Proceeds from sale of property, plant and equipment	79	3
Payments for acquisition of intangible assets	(55)	(15)
Proceeds from sale of investment securities	—	234
Other, net	(2)	2
Net cash used in investing activities	(2,606)	(799)
Cash flows from financing activities		
Repayments of short-term loans and borrowings	(5,000)	—
Incomes of long-term loans and borrowings	3,960	—
Payments of lease liabilities	(253)	(238)
Cash dividends paid	(566)	(378)
Proceeds from sale of treasury stock	42	—
Payments for acquisition of treasury stock	—	(603)
Net cash used in financing activities	(1,817)	(1,219)
Effect of exchange rate changes on cash and cash equivalents	279	(118)
Net (decrease) increase in cash and cash equivalents	(2,145)	6,069
Cash and cash equivalents at the beginning of the period	23,003	23,334
Cash and cash equivalents at the end of the period	20,858	29,403

(5) Notes to the Quarterly Consolidated Financial Statements

(Notes on the assumption of a going concern)

Not applicable.

(Segment Information and Others)

(1) Basis of segmentation

Our group is organized into product and service segments based on our core businesses, with two reportable segments: 'Precision Components Business' and 'Blower & Real Estate Business'. 'Precision Components Business' manufactures and sells precision balls, rollers, retainers, and sheet metal parts. 'Blower & Real Estate Business' manufactures, sells, and maintains blowers, fans, and other air-moving equipment, as well as leases real estate.

The Group's business segments are segments for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

In the third quarter of the previous fiscal year, 'Precision Components Business' was reported as a reportable segment. However, starting from the previous fiscal year, 'Precision Components Business' and 'Blower & Real Estate Business' have been changed to reportable segments. The segment information for the third quarter of the previous fiscal year has been prepared and disclosed based on the revised reportable segment classification. Furthermore, amounts for the third quarter of the previous fiscal year and this year have been adjusted to exclude discontinued operations.

Segment information is prepared in accordance with the same accounting policies as the condensed consolidated financial statements. Operating profit for each segment is calculated by adding financial income and financial expenses to profit before taxes, and is measured using the same method as operating profit in the condensed consolidated statement of comprehensive income.

Prices for transactions between segments are determined at prices that would be agreed upon in transactions between independent third parties.

(2) Segment Information

For the nine months ended September 30, 2024

(Millions of yen)

	Reporting segments		Total	Reconciling items	Consolidated financial statements
	Precision Component Business	Blower & Real Estate Business			
Sales					
External sales	57,691	632	58,323	—	58,323
Inter-segment sales	27	2	29	(29)	—
Total consolidated sales	57,718	634	58,352	(29)	58,323
Segment profit	2,404	170	2,574	(1)	2,573
			Financial income		309
			Financial expense		(1,299)
			Profit before taxes		1,583

Note: Adjustments to segment income include eliminations of inter-segment transactions.

For the nine months ended September 30, 2025

(Millions of yen)

	Reporting segments		Total	Reconciling items	Consolidated financial statements
	Precision Component Business	Blower & Real Estate Business			
Sales					
External sales	52,129	633	52,762	—	52,762
Inter-segment sales	(0)	—	(0)	0	—
Total consolidated sales	52,129	633	52,762	0	52,762
Segment profit	775	116	891	0	891
			Financial income		280
			Financial expense		(1,978)
			Profit before taxes (loss)		(807)

Note: Adjustments to segment income include eliminations of inter-segment transactions.