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May 12, 2026

FY2025 Consolidated Financial Results (J-GAAP)

Company name:	Musashi Seimitsu Industry Co., Ltd.
Listing:	Tokyo Stock Exchange / Nagoya Stock Exchange
Securities code:	7220
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Scheduled date of annual general meeting of shareholders:	June 26, 2026
Scheduled date to commence dividend payments:	June 29, 2026
Scheduled date to file annual securities report:	June 22, 2026
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen.)

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.)

Fiscal year ended	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	347,200	0.0	20,538	4.1	20,230	12.5	1,264	(83.8)
March 31, 2025	347,196	(0.8)	19,720	7.3	17,981	15.6	7,782	(1.7)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥12,352 million [288.3%]
For the fiscal year ended March 31, 2025: ¥3,181 million [(86.5)%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2026	19.29	-	1.1	6.9	5.9
March 31, 2025	118.80	-	6.8	6.2	5.7

(2) Consolidated Financial Position

As of	Total Assets	Net Assets	Equity-to-Asset Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	301,614	131,252	40.5	1,861.88
March 31, 2025	285,126	123,969	40.2	1,751.52

Reference: Equity As of March 31, 2026: ¥122,029 million
As of March 31, 2025: ¥114,761 million

(3) Consolidated Cash Flows

Fiscal year ended	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at the End of Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	33,007	(27,863)	(7,970)	33,894
March 31, 2025	31,918	(16,096)	(7,743)	34,157

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			
Fiscal year ended March 31, 2025	Yen -	Yen 25.00	Yen -	Yen 25.00	Yen 50.00	Millions of yen 3,276	% 42.1	% 2.8
Fiscal year ended March 31, 2026	Yen -	Yen 25.00	Yen -	Yen 15.00	Yen 40.00	Millions of yen 2,621	% 207.4	% 2.2
Fiscal year ending March 31, 2027 (Forecast)		Yen 20.00		Yen 20.00	Yen 40.00		% 40.3	

3. Forecast of Consolidated Financial Results 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	335,000	(3.5)	18,500	(9.9)	16,000	(20.9)	6,500	414.2	99.18

*Notes

(1) Significant changes in the Scope of Consolidation during the Period: Yes

Newly included: 1 company (Musashi Energy Solutions North America, Inc.)

(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	65,581,861 shares
As of March 31, 2025	65,556,761 shares

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

As of March 31, 2026	40,990 shares
As of March 31, 2025	35,825 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	65,535,502 shares
Fiscal year ended March 31, 2025	65,511,732 shares

[Reference] Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	58,677	0.1	5,027	8.9	17,616	25.6	10,473	8.8
March 31, 2025	58,643	(1.9)	4,617	(18.4)	14,031	18.7	9,629	15.7

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Fiscal year ended March 31, 2026	159.81	-
March 31, 2025	146.99	-

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Asset Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	149,831	62,734	41.9	957.18
March 31, 2025	140,451	55,718	39.7	850.40

Reference: Equity

As of March 31, 2026: ¥62,734 million

As of March 31, 2025: ¥55,718 million

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

*Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(4) Future outlook” of “1. Overview of Operating Results” on page 3 of the attached materials for the conditions that form the assumptions for the forecasts of financial results and cautions concerning the use thereof.

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1. Overview of Operating Results

(1) Overview of Business Results for the Fiscal Year under Review

During the consolidated fiscal year under review (from April 1, 2025 to March 31, 2026), the global economy continued a gradual recovery, although weakness was observed in certain regions. Meanwhile, the impact of higher tariff rates resulting from U.S. trade policies became evident, particularly in the automotive industry, and uncertainty persisted due to fluctuations in international affairs and global financial and capital markets.

In the United States, the economy continued to expand moderately, supported by a solid labor market and steady personal consumption. In Europe, the prolonged slowdown in manufacturing, particularly in Germany, weighed on economic recovery prospects. The Chinese economy decelerated moderately as ongoing adjustments in the real estate market offset the effects of government economic stimulus measures. In Asia, India maintained an expansionary trend driven by strong domestic demand, serving as a key engine of regional economic growth.

In the automotive industry, a reassessment of electrification strategies continued. In major markets including China and Europe, growth in demand for battery electric vehicles (BEVs) fell short of initial expectations and showed signs of slowing. In contrast, demand for hybrid electric vehicles (HEVs) remained robust worldwide. Against this backdrop, automakers promoted portfolio strategies encompassing diverse powertrains, including BEVs, HEVs, and plug-in hybrid vehicles (PHEVs). In certain countries and regions, including the United States, the impact of tariff policies persisted, prompting OEMs to accelerate efforts to optimize production and supply structures. In addition, during the fiscal year, supply chain disruptions related to automotive semiconductors led to temporary production adjustments by some OEMs. Overall, the business environment surrounding the automotive industry required responses to both geopolitical risks and structural changes.

In response to these changes in the business environment, the Group worked to strengthen its management foundation and transform its business portfolio. In October, the Group opened a Tokyo office as a core hub for strategy development, value creation, and global expansion, establishing a structure to further develop existing businesses and accelerate growth in new business fields. In the core business, orders for key products, including differential assemblies and components used in BEVs and HEVs, remained steady. As customers restructured their production and supply chains, demand for localization of production increased, resulting in a rise in inquiries to the Group. In the Chinese market, orders from local OEMs expanded, and the Group made progress in building a medium- to long-term growth foundation. In Europe, given the continued challenging market conditions surrounding the automotive industry, the Group decided to implement structural reforms centered on optimizing production capacity and reorganizing business sites. Through these initiatives, the Group aims to transform its business structure into one capable of generating stable profits.

In new business areas, in the Energy Solution business, the Group is building a mass-production framework for hybrid supercapacitors (HSCs), for which demand is rapidly expanding, particularly for AI data centers. The Group is proceeding with the construction of a new plant in Minami-Alps City, Yamanashi Prefecture, and preparations for the start of operations are underway. To accelerate business development in North America, the Group opened the Austin R&D Center in Texas, USA, in December 2025. In the e-Mobility business, electric two-wheel vehicles equipped with the Company's e-Axle were launched in Bangalore, India. In addition, initiatives to promote the adoption of electric two-wheel vehicles in Kenya and Ethiopia were selected for the Ministry of Economy, Trade and Industry's "Global South Future-Oriented Co-Creation Program," and the Group is steadily expanding its business in emerging markets. The Group also began collaborating with a startup in Bangladesh, accelerating the social implementation of e-Mobility in Asia and Africa. In the Smart Industry business, the Group pursued initiatives to strengthen the profitability of the inspection equipment business and accelerate growth in the material handling business.

Under these circumstances, consolidated net sales increased to 347,200 million yen (up 0.0% from the previous fiscal year). In terms of profits, consolidated operating profit increased to 20,538 million yen (up 4.1% year on year), consolidated ordinary profit was 20,230 million yen (up 12.5% year on year). Due to the recording of restructuring cost, net profit attributable to owners of parent decreased to 1,264 million yen (down 83.8% year on year).

The business performance by segment is as follows:

(Japan)

Sales remained steady and upfront investment expenses for the Energy Solution business increased. As a result, net sales amounted to 41,541 million yen (up 4.1% year on year), and segment profit was 3,517 million yen (down 19.8% year on year).

(Americas)

Business continued to perform favorably as in the previous year, although temporary production adjustments by customers due to semiconductor shortages were observed. Net sales amounted to 111,006 million yen (up 6.2% year on year), and segment profit was 5,911 million yen (down 6.6% year on year).

(Asia)

While sales for two-wheel vehicles remained steady, sales for four-wheel vehicles stagnated. As a result, net sales amounted to 80,657 million yen (down 1.5% year on year), and segment profit was 9,592 million yen (up 4.7% year on year).

(China)

Amid continued sluggish sales of Japanese-brand vehicles, thorough cost control efforts were promoted. Net sales amounted to 29,074 million yen (down 7.8% year on year) and segment profit was 1,103 million yen (up 103.2% year on year).

(Europe)

Despite ongoing weakness in the overall automotive market, continued implementation of improvement measures such as cost control led to net sales of 84,920 million yen (down 4.9% year on year) and segment profit of 290 million yen (compared with a segment loss of 740 million yen in the previous fiscal year).

(2) Overview of Financial Position for the Fiscal Year under Review

Total assets increased by 16,488 million yen from the end of the previous fiscal year to 301,614 million yen.

Current assets increased by 3,144 million yen to 150,052 million yen, mainly due to an increase in merchandise and finished goods of 1,548 million yen.

Non-current assets increased by 13,343 million yen to 151,561 million yen, primarily as a result of an increase in construction in progress of 15,538 million yen.

Current liabilities increased by 22,818 million yen to 117,857 million yen, mainly due to an increase in short-term borrowings of 9,265 million yen.

Non-current liabilities decreased by 13,613 million yen to 52,504 million yen, primarily due to a decrease in long-term borrowings of 13,200 million yen.

Net assets, including non-controlling interests, increased by 7,283 million yen to 131,252 million yen.

(3) Overview of Cash Flows for the Period

Cash and cash equivalents at the end of the consolidated fiscal year amounted to 33,894 million yen, a decrease of 262 million yen from the end of the previous consolidated fiscal year. The consolidated cash flow situation for the fiscal year is as follows:

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 33,007 million yen. This was mainly attributable to profit before income taxes of 9,273 million yen (15,348 million yen in the previous fiscal year) and depreciation of 18,130 million yen (18,710 million yen in the previous fiscal year).

(Cash flows from investing activities)

Net cash used in investing activities amounted to 27,863 million yen, mainly due to expenditures for the acquisition of property, plant and equipment of 26,516 million yen (15,055 million yen in the previous fiscal year) and expenditures for the acquisition of investment securities of 487 million yen (1,825 million yen in the previous fiscal year).

(Cash flows from financing activities)

Net cash used in financing activities amounted to 7,970 million yen, mainly due to repayments of borrowings of 2,285 million yen (2,432 million yen in the previous fiscal year) and dividend payments of 3,276 million yen (3,275 million yen in the previous fiscal year).

(4) Future Outlook

Current forecasts of consolidated financial results for the fiscal year ending March 2027 are as follows.

Net Sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net Profit Per Share
Million yen 335,000	Million yen 18,500	Million yen 16,000	Million yen 6,500	Yen 99.18

The full-year foreign exchange rates are expected to be 150.00 yen/US\$, 175.00 yen/EUR, and 21.00 yen/yuan. The above earnings forecasts are based on information available as of the date of this release. Actual results may differ from the forecasts due to various factors in the future.

2. Basic Approach to the Selection of Accounting Standards

For the time being, the group will prepare consolidated financial statements in accordance with Japanese GAAP, taking into account the comparability of the consolidated financial statements over time and the comparability between companies. With regard to the application of IFRS, we will respond appropriately in consideration of domestic and international circumstances.

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	33,849	32,651
Notes and accounts receivable - trade	51,033	50,204
Merchandise and finished goods	11,518	13,066
Work in process	11,059	12,543
Raw materials and supplies	31,018	31,931
Other	9,052	11,162
Allowance for doubtful accounts	(622)	(1,506)
Total current assets	146,908	150,052
Non-current assets		
Property, plant and equipment		
Buildings and structures	61,072	68,441
Accumulated depreciation	(34,864)	(39,390)
Accumulated impairment	(4)	(5)
Buildings and structures, net	26,203	29,046
Machinery, equipment and vehicles	307,774	334,012
Accumulated depreciation	(245,664)	(272,856)
Accumulated impairment	(514)	(404)
Machinery, equipment and vehicles, net	61,595	60,751
Tools, furniture and fixtures	18,511	19,805
Accumulated depreciation	(14,126)	(15,601)
Tools, furniture and fixtures, net	4,384	4,204
Land	9,860	10,234
Construction in progress	9,171	24,710
Total property, plant and equipment	111,216	128,947
Intangible assets		
Goodwill	815	586
Customer-related intangible assets	1,541	1,189
Software	784	761
Software in progress	7	15
Other	509	435
Total intangible assets	3,658	2,988
Investments and other assets		
Investment securities	13,135	9,798
Investments in capital	1,528	1,648
Long-term loans receivable	154	124
Retirement benefit asset	661	-
Deferred tax assets	4,179	5,192
Other	3,729	2,863
Allowance for doubtful accounts	(45)	-
Total investments and other assets	23,343	19,626
Total non-current assets	138,218	151,561
Total assets	285,126	301,614

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,342	20,892
Short-term borrowings	35,940	45,206
Current portion of long-term borrowings	10,852	16,734
Accounts payable - other	5,926	6,339
Accrued expenses	9,253	10,307
Income taxes payable	2,069	2,511
Provision for bonuses	2,824	3,565
Provision for bonuses for directors (and other officers)	61	51
Provision for product warranties	37	22
Provision for loss on guarantees	200	200
Provision for loss on litigation	162	662
Provision for business restructuring	-	6,108
Other	5,367	5,252
Total current liabilities	95,038	117,857
Non-current liabilities		
Long-term borrowings	49,996	36,796
Deferred tax liabilities	5,233	3,929
Retirement benefit liability	8,247	8,451
Other	2,640	3,327
Total non-current liabilities	66,117	52,504
Total liabilities	161,156	170,361
Net assets		
Shareholders' equity		
Share capital	5,639	5,675
Capital surplus	37	73
Retained earnings	93,157	91,156
Treasury shares	(8)	(8)
Total shareholders' equity	98,826	96,897
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,221	3,017
Foreign currency translation adjustment	12,350	21,644
Remeasurements of defined benefit plans	362	470
Total accumulated other comprehensive income	15,935	25,132
Non-controlling interests	9,208	9,223
Total net assets	123,969	131,252
Total liabilities and net assets	285,126	301,614

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	347,196	347,200
Cost of sales	294,535	291,749
Gross profit	52,660	55,451
Selling, general and administrative expenses	32,939	34,913
Operating profit	19,720	20,538
Non-operating income		
Interest income	557	571
Dividend income	495	400
Gain on valuation of investment securities	-	7
Gain on sale of investment securities	-	3
Foreign exchange gains	-	1,910
Subsidy income	135	4
Compensation income	69	82
Other	666	443
Total non-operating income	1,923	3,423
Non-operating expenses		
Interest expenses	2,363	2,187
Loss on valuation of investment securities	2	70
Share of loss of entities accounted for using equity method	363	239
Provision of allowance for doubtful accounts	125	875
Foreign exchange losses	516	-
Other	290	358
Total non-operating expenses	3,662	3,730
Ordinary profit	17,981	20,230
Extraordinary income		
Gain on sale of non-current assets	83	74
Insurance claim income	70	-
Gain on termination of retirement benefit plan	-	25
Total extraordinary income	154	100
Extraordinary losses		
Loss on sale of non-current assets	37	4
Loss on retirement of non-current assets	76	141
Loss on valuation of investment securities	1,955	3,111
Provision for loss on litigation	-	459
Impairment losses	717	-
Business restructuring costs	-	7,340
Total extraordinary losses	2,787	11,057
Profit before income taxes	15,348	9,273
Income taxes - current	6,551	8,187
Income taxes - deferred	(169)	(1,260)
Total income taxes	6,382	6,927
Profit	8,966	2,346
Profit attributable to non-controlling interests	1,183	1,082
Profit attributable to owners of parent	7,782	1,264

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	8,966	2,346
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,386)	(204)
Foreign currency translation adjustment	(3,391)	10,211
Remeasurements of defined benefit plans, net of tax	75	118
Share of other comprehensive income of entities accounted for using equity method	(83)	(118)
Total other comprehensive income	(5,785)	10,006
Comprehensive income	3,181	12,352
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,185	10,461
Comprehensive income attributable to non-controlling interests	995	1,891

Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,602	-	88,650	(8)	94,243
Changes during period					
Issuance of new shares	37	37			75
Dividends of surplus			(3,275)		(3,275)
Profit attributable to owners of parent			7,782		7,782
change in accounting period of consolidated subsidiaries					-
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					-
Total changes during period	37	37	4,507	(0)	4,582
Balance at end of period	5,639	37	93,157	(8)	98,826

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,608	15,616	307	21,532	9,615	125,391
Changes during period						
Issuance of new shares						75
Dividends of surplus						(3,275)
Profit attributable to owners of parent						7,782
change in accounting period of consolidated subsidiaries						-
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	(2,386)	(3,265)	55	(5,597)	(407)	(6,004)
Total changes during period	(2,386)	(3,265)	55	(5,597)	(407)	(1,422)
Balance at end of period	3,221	12,350	362	15,935	9,208	123,969

Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,639	37	93,157	(8)	98,826
Changes during period					
Issuance of new shares	35	35			71
Dividends of surplus			(3,276)		(3,276)
Profit attributable to owners of parent			1,264		1,264
change in accounting period of consolidated subsidiaries			11		11
Purchase of treasury shares				-	-
Net changes in items other than shareholders' equity					-
Total changes during period	35	35	(2,000)	-	(1,929)
Balance at end of period	5,675	73	91,156	(8)	96,897

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3,221	12,350	362	15,935	9,208	123,969
Changes during period						
Issuance of new shares						71
Dividends of surplus						(3,276)
Profit attributable to owners of parent						1,264
change in accounting period of consolidated subsidiaries						11
Purchase of treasury shares						-
Net changes in items other than shareholders' equity	(204)	9,294	107	9,197	15	9,212
Total changes during period	(204)	9,294	107	9,197	15	7,283
Balance at end of period	3,017	21,644	470	25,132	9,223	131,252

Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	15,348	9,273
Depreciation	18,710	18,130
Impairment losses	717	-
Amortization of goodwill	211	229
Increase (decrease) in allowance for doubtful accounts	21	829
Increase (decrease) in provision for bonuses	77	617
Increase (decrease) in provision for bonuses for directors (and other officers)	34	(9)
Increase Decrease In Provision For Product Warranties	(39)	(17)
Increase (decrease) in retirement benefit liability	589	(326)
Decrease (increase) in retirement benefit asset	(104)	661
Increase (decrease) in provision for loss on litigation	(163)	459
Increase and decrease of restructuring cost	-	5,846
Interest and dividend income	(1,052)	(971)
Interest expenses	2,363	2,187
Foreign exchange losses (gains)	488	(893)
Loss (gain) on sale and retirement of property, plant and equipment	30	71
Loss (gain) on sale of investment securities	-	(3)
Loss (gain) on valuation of investment securities	1,957	3,174
Share of loss (profit) of entities accounted for using equity method	363	239
Decrease (increase) in trade receivables	(2,722)	5,711
Decrease (increase) in inventories	902	534
Increase (decrease) in trade payables	(1,286)	(3,681)
Other, net	2,713	214
Subtotal	39,162	42,277
Interest and dividends received	1,001	887
Interest paid	(2,363)	(2,263)
Income taxes paid	(5,882)	(7,893)
Net cash provided by (used in) operating activities	31,918	33,007

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(15,055)	(26,516)
Proceeds from sale of property, plant and equipment	1,356	127
Purchase of intangible assets	(201)	(261)
Purchase of investment securities	(1,825)	(487)
Proceeds from sale of investment securities	0	29
Proceeds from sale of securities	-	3
Loan advances	(354)	(734)
Proceeds from collection of loans receivable	176	-
Purchase of shares of subsidiaries	(238)	-
Other, net	44	(23)
Net cash provided by (used in) investing activities	(16,096)	(27,863)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,421)	5,581
Proceeds from long-term borrowings	19,149	3,007
Repayments of long-term borrowings	(8,160)	(10,875)
Dividends paid	(3,275)	(3,276)
Dividends paid to non-controlling interests	(1,438)	(1,883)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(0)	-
Purchase of treasury shares	(0)	-
Other, net	(596)	(524)
Net cash provided by (used in) financing activities	(7,743)	(7,970)
Effect of exchange rate change on cash and cash equivalents	(668)	2,620
Net increase (decrease) in cash and cash equivalents	7,409	(206)
Cash and cash equivalents at beginning of period	26,747	34,157
Increase/decrease in cash and cash equivalents due to change in fiscal year end of consolidated subsidiaries (decrease)	-	(56)
Cash and cash equivalents at end of period	34,157	33,894

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Changes in the Scope of Consolidation or the Scope of Application of the Equity Method)

(Significant Changes in Scope of Consolidation)

Musashi Energy Solutions North America, Inc., newly established during the first quarter of the consolidated accounting period, has been included in the scope of consolidation.

(Changes in Matters Related to Fiscal Year of Consolidated Subsidiaries)

Musashi Wired Co., Ltd., a consolidated subsidiary whose fiscal year-end had traditionally been February 28, previously prepared its financial statements as of that date and made necessary consolidation adjustments for significant transactions occurring between that date and the consolidated fiscal year-end. However, starting from the first quarter of the current consolidated accounting period, the fiscal year-end has been changed to March 31. Accordingly, the profit and loss for the period from March 1 to March 31, 2025, has been adjusted as a change in retained earnings. The impact of this change on the consolidated financial statements is immaterial.

(Notes to Segment Information, etc.)

Segment Information

1. Overview of Reporting Segments

The Company's reporting segments are those of the Company's constituent units for which segregated financial information is available and is subject to periodic review by the Board of Directors in order to determine the allocation of management resources and evaluate performance.

The Company mainly manufactures and sells automotive parts, etc., and formulates comprehensive strategies for the products it handles in each region and develops business activities.

The Company manufactures and sells products in the PT business and products in the L&S business in all five segments of Japan, Americas, Asia, China, and Europe, and products in the two-wheeler business in the Japan, Americas, and Asia segments.

2. Method of calculating the amount of sales, profits or losses, assets, liabilities and other items for each reporting segment

The method of accounting for the reporting segment is in accordance with the accounting principles and procedures employed to prepare consolidated financial statements.

Segment profit is based on operating profit.

Internal revenues and transfers between segments are based on prevailing market prices.

3. Information on the amount of sales, profits or losses, assets, liabilities, and other items for each reporting segment.

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Japan	Americas	Asia	China	Europe	Total	Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
Sales								
(1) Sales to external customers	39,913	104,566	81,903	31,539	89,274	347,196	-	347,196
(2) Internal sales or transfers between segments	26,033	597	5,897	3,795	1,692	38,016	(38,016)	-
Total	65,946	105,163	87,801	35,334	90,967	385,212	(38,016)	347,196
Segment Profit	4,387	6,331	9,163	542	(740)	19,685	35	19,720
Segment Assets	141,559	62,198	80,217	36,442	64,660	385,077	(99,951)	285,126
Other items								
Depreciation	2,441	4,693	4,367	3,169	4,284	18,955	(245)	18,710
Amortization of goodwill	211	-	-	-	-	211	-	211
Increase in property, plant and equipment and intangible assets	2,678	5,238	6,670	1,023	1,664	17,275	314	17,590

Note: 1. Adjustments to segment income of 35 million yen, adjustments to segment assets of -99,951 million yen, adjustments to depreciation and amortization of -245 million yen, and adjustments to increases in property, plant and equipment and intangible assets of 314 million yen are eliminated as inter-segment transactions.
 2. Segment profit is adjusted to operating profit in consolidated financial statements.
 3. In the Japan segment, we acquired a 60% stake in Wired Corporation on April 26, 2024. The increase in goodwill as a result of this event was 353 million yen.
 The amount of goodwill is the amount determined after the identification of identifiable assets and liabilities, the calculation of market value, and the allocation of acquisition costs have been completed.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Japan	Americas	Asia	China	Europe	Total	Adjustment amount (Note) 1	Amount recorded in consolidated financial statements (Note)2
Sales								
(1) Sales to external customers	41,541	111,006	80,657	29,074	84,920	347,200	-	347,200
(2) Internal sales or transfers between segments	25,117	50	6,089	3,918	1,198	36,374	(36,374)	-
Total	66,659	111,056	86,747	32,992	86,119	383,575	(36,374)	347,200
Segment Profit	3,517	5,911	9,592	1,103	290	20,414	123	20,538
Segment Assets	154,863	73,046	79,909	38,585	68,707	415,112	(113,497)	301,614
Other items								
Depreciation	2,373	4,847	4,146	2,736	4,315	18,419	(289)	18,130
Amortization of goodwill	229	-	-	-	-	229	-	229
Increase in property, plant and equipment and intangible assets	13,837	7,643	5,530	428	1,422	28,863	(902)	27,961

Note: 1. Adjustments to segment income of 123 million yen, adjustments to segment assets of -113,497 million yen, adjustments to depreciation and amortization of -289 million yen, and adjustments to increases in property, plant and equipment and intangible assets of -902 million yen are excluded from inter-segment transactions.

2. Segment profit is adjusted to operating profit in consolidated financial statements.

(Revenue Recognition)
Breakdown of Revenue Arising from Contracts with Customers
The previous fiscal year (April 1, 2024 to March 31, 2025)

(millions of yen)

	Japan	Americas	Asia	China	Europe	Total
Honda Motor Co., Ltd. and its Affiliates	23,627	83,016	58,267	10,020	0	174,931
Other Global Customers	16,285	21,549	23,635	21,518	89,274	172,265
Revenue from Contracts with Customers	39,913	104,566	81,903	31,539	89,274	347,196
Other Revenue	—	—	—	—	—	—
Sales to External Customers	39,913	104,566	81,903	31,539	89,274	347,196

The current fiscal year (April 1, 2025 to March 31, 2026)

(millions of yen)

	Japan	Americas	Asia	China	Europe	Total
Honda Motor Co., Ltd. and its Affiliates	23,094	88,278	55,869	8,833	16	176,092
Other Global Customers	18,446	22,650	24,787	20,240	84,904	171,030
Revenue from Contracts with Customers	41,541	110,928	80,657	29,074	84,920	347,122
Other Income	—	78	—	—	—	78
Sales to External Customers	41,541	111,006	80,657	29,074	84,920	347,200

(Note) Other income consists of lease income recognized in accordance with Accounting Standard No. 13, "Accounting Standard for Lease Transactions."

(Information about per share)

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025) To March 31, 2026)
Net assets per share	1,751 yen 52 Sen	1,861 yen 88 Sen
Net profit per share	118 yen 80 Sen	19 yen 29 Sen

Notes: 1. Diluted net profit per share is not stated because there are no dilutive shares.

2. The basis for the calculation of net profit per share is as follows.

	Previous fiscal year (From April 1, 2024 to March 31, 2025)	Current fiscal year (From April 1, 2025) To March 31, 2026)
Net profit attributable to owners of parent (million yen)	7,782	1,264
Amount not attributable to common shareholders (million yen)	—	—
Net profit attributable to owners of parent (million yen)	7,782	1,264
Average number of shares of common stock during the period	65,511,732	65,535,502

(Significant Subsequent Events)

Not applicable.