

Consolidated Financial Summary Cumulative Third Quarter of FY2025

(April 1, 2024 – December 31, 2024)

TS TECH Co.,Ltd.

This document is an English translation of the Japanese language version of the consolidated financial summary that TS TECH Co., Ltd. has produced as a reference purpose.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Consolidated Financial Summary for the Cumulative Third Quarter of FY2025 (under IFRS)

February 7, 2025

Company name: TS TECH CO., LTD. Stock exchange listing: Tokyo Stock Exchange
 Stock code: 7313 URL: <https://www.tstech.co.jp>
 Representative: Masanari Yasuda, President
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 Scheduled date of commencement of dividend payment: —
 Preparation of supplementary explanatory material: None
 Holding of financial results briefing: None

(Amounts of less than one million yen are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Cumulative Third Quarter of FY 2025 (April 1, 2024 – December 31, 2024)

(1) Consolidated Financial Results (Cumulative Total)

(%: year-on-year change)

	Revenue		Operating income		Income before tax		Net income		Income attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter of FY2025	339,619	3.1	11,332	(19.3)	14,220	(18.7)	9,994	(18.4)	8,112	(13.4)	15,203	(38.4)
Third quarter of FY2024	329,497	8.9	14,040	36.3	17,502	33.1	12,246	59.1	9,363	170.0	24,685	75.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Third quarter of FY2025	65.94	—
Third quarter of FY2024	73.42	—

(2) Consolidated Financial Positions

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Million yen	Million yen	Million yen	%	Yen
Third quarter of FY2025	437,347	334,601	315,017	72.0	2,641.55
FY2024	446,214	348,703	326,932	73.3	2,563.58

2. Cash Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	End of year	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024	—	35.00	—	38.00	73.00
FY2025	—	40.00	—		
FY2025 (forecast)				43.00	83.00

(Note) Revision from the most recent announcement of cash dividends forecasts: No

3. Consolidated Forecasts for FY2025 (April 1, 2024 – March 31, 2025)

(%: year-on-year change)

	Revenue		Operating income		Income before tax		Net income		Income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2025	443,000	0.3	17,500	(0.0)	20,500	(5.7)	14,500	7.5	12,000	17.5	98.26

(Note) Revision from the most recent announcement of consolidated financial forecasts: No

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included — companies Excluded 1 company
TECH TOEI CO., LTD.

(Note) Please refer to “2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto (5) Notes Concerning Condensed Quarterly Consolidated Financial Statements, Significant Changes in the scope of consolidation during the period” on page 13 for details.

(2) Changes in accounting policies and accounting estimates

- 1) Changes in accounting policies required by IFRS: None
 2) Changes other than 1): None
 3) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the term including treasury stock	3Q of FY2025	136,000,000 shares	FY2024	136,000,000 shares
2) Number of treasury stock at the end of the term	3Q of FY2025	16,745,428 Shares	FY2024	8,470,554 shares
3) Average number of shares during the term (cumulative)	3Q of FY2025	123,027,570 shares	3Q of FY2024	127,536,980 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an auditing firm: None

*Explanation regarding the appropriate use of forecasts of financial results and other notes

The consolidated forecasts presented on the previous page are projections made by management at TS TECH Co., Ltd. (hereinafter the “Company”) on the basis of information available at the time of preparation. For that reason, they involve risks and uncertainties.

Accordingly, we request that readers of this document avoid making investment decisions based exclusively on these forecasts. Please bear in mind the possibility that actual results may differ materially from these forecasts due to various important factors. Readers are asked to proceed to “(3) Qualitative Information Concerning Consolidated Forecasts” on page 4 for assumptions and other information that form the premises for the operating results forecast on the previous page.

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1. Qualitative Information Concerning Results

(1) Qualitative Information Concerning Consolidated Financial Results

Revenue for the cumulative third quarter of FY2025 (April 1, 2024 – December 31, 2024) reached 339,619 million yen on a consolidated basis, marking an increase of 10,121 million yen (3.1%) from the same period in FY2024, primarily due to the effects of foreign exchange rates, improved sales at new businesses*, offsetting the impact of lower production for main customer, mainly in China.

Looking at profits, operating income stood at 11,332 million yen, a decrease of 2,707 million yen (19.3%) year on year due to the impact of lower production mainly in China, offsetting higher revenue. Income attributable to owners of parent decreased 1,251 million yen (13.4%) year on year to 8,112 million yen.

* Sales to customers other than Honda Motor and Honda Motor affiliates

USD/JPY average exchange rate: 3Q FY2024: ¥143.3 3Q FY2025: ¥152.6

CNY/JPY average exchange rate: 3Q FY2024: ¥20.0 3Q FY2025: ¥21.2

Operating performance by segment is as follows.

(Japan)

(Unit: Million yen)

	Cumulative third quarter of FY2024	Cumulative third quarter of FY2025	Difference	Change
Revenue	65,793	77,692	11,898	18.1%
Operating income	6,387	7,036	649	10.2%

Main factors for year-on-year change

Revenue Revenue increased primarily due to the effects of higher production and improved sales at new businesses.

Operating income Operating income increased primarily due to higher revenue, offsetting higher expenses.

(Americas)

(Unit: Million yen)

	Cumulative third quarter of FY2024	Cumulative third quarter of FY2025	Difference	Change
Revenue	175,636	193,269	17,632	10.0%
Operating income	1,891	3,170	1,278	67.6%

Main factors for year-on-year change

Revenue Revenue increased primarily due to the effects of foreign exchange rates and higher production.

Operating income Operating income increased primarily due to higher revenue, offsetting higher expenses.

(China)

(Unit: Million yen)

	Cumulative third quarter of FY2024	Cumulative third quarter of FY2025	Difference	Change
Revenue	72,264	56,269	(15,995)	(22.1) %
Operating income	8,720	5,517	(3,203)	(36.7) %

Main factors for year-on-year change

Revenue Revenue decreased primarily due to the impact of lower production.

Operating income Operating income decreased primarily due to the impact of lower revenue, offsetting expenses reduction.

(Asia and Europe)

(Unit: Million yen)

	Cumulative third quarter of FY2024	Cumulative third quarter of FY2025	Difference	Change
Revenue	35,403	32,176	(3,227)	(9.1) %
Operating income	1,748	309	(1,439)	(82.3) %

Main factors for year-on-year change

Revenue Revenue decreased primarily due to the impact of lower production, offsetting the effects of foreign exchange rates.

Operating income Operating income decreased primarily due to the impact of lower revenue, offsetting cost containment measures.

Sales by business segment are as follows:

(Unit: Million yen)

	Cumulative third quarter of FY2024		Cumulative third quarter of FY2025		Difference	Change
		Sales ratio		Sales ratio		
Motorcycles	5,961	1.8 %	5,831	1.7 %	(130)	(2.2) %
Automobiles	307,231	93.2 %	317,011	93.3 %	9,779	3.2 %
(Seats)	280,053	85.0 %	290,263	85.5 %	10,210	3.6 %
(Interior products)	27,178	8.2 %	26,747	7.9 %	(430)	(1.6) %
Other businesses	16,303	4.9 %	16,776	4.9 %	472	2.9 %
Total	329,497	100.0 %	339,619	100.0 %	10,121	3.1 %

(2) Qualitative Information Concerning Consolidated Financial Position

(Assets)

Total assets at the end of the Third quarter of FY2025 stood at 437,347 million yen, a decrease of 8,866 million yen from the end of FY2024. This change was due mainly to an overall increase in assets attributable to the impact of foreign exchange rates and other factors and a decrease in cash and cash equivalents due to capital investments, the acquisition of treasury stock and dividend payments.

(Liabilities)

Total liabilities at the end of the Third quarter of FY2025 amounted to 102,745 million yen, an increase of 5,235 million yen from the end of FY2024. This change was due primarily to an increase in trade and other payables attributable to an increase in orders from major customers, as well as an overall increase in liabilities attributable to the impact of foreign exchange rates and other factors, while deferred tax assets increased due to lower fair values on stock held.

(Equity)

Total equity at the end of the Third quarter of FY2025 was 334,601 million yen, a decrease of 14,102 million yen from the end of FY2024. This change was due primarily to an increase in equity attributable to the acquisition of treasury stock.

(3) Qualitative Information Concerning Consolidated Forecasts

Taking into account consolidated operating results for the cumulative Third quarter of FY2025 as well as the current trend in orders from major customers and foreign exchange rates, the Company is keeping the consolidated forecasts announced on November 8, 2024 unchanged.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto
 (1) Condensed Quarterly Consolidated Statements of Financial Position

(Unit: Million yen)

	FY2024 (As of March 31, 2024)	Third quarter of FY2025 (As of December 31, 2024)
Assets		
Current assets		
Cash and cash equivalents	150,755	113,652
Trade and other receivables	66,616	66,944
Other financial assets	10,292	24,303
Inventories	35,332	40,990
Income tax receivables	3,314	5,119
Other current assets	6,207	6,582
Subtotal	272,518	257,593
Non-current assets held for sale	—	589
Total current assets	272,518	258,182
Non-current assets		
Property, plant and equipment	90,203	96,136
Intangible assets	11,157	14,462
Investments accounted for using the equity method	18,307	18,377
Other financial assets	39,442	36,329
Defined benefit asset	8,322	8,314
Deferred tax assets	5,839	5,185
Other non-current assets	423	359
Total non-current assets	173,696	179,164
Total assets	446,214	437,347

(Unit: Million yen)

	FY2024 (As of March 31, 2024)	Third quarter of FY2025 (As of December 31, 2024)
Liabilities and equity		
Current liabilities		
Trade and other payables	69,453	76,661
Other financial liabilities	1,147	1,389
Income tax payables	4,695	3,520
Provisions	99	48
Other current liabilities	6,896	6,735
Total current liabilities	82,292	88,356
Non-current liabilities		
Other financial liabilities	3,535	4,863
Defined benefit liability	2,077	2,291
Provisions	159	129
Deferred tax liabilities	8,119	5,864
Other non-current liabilities	1,326	1,241
Total non-current liabilities	15,218	14,389
Total liabilities	97,510	102,745
Equity		
Capital stock	4,700	4,700
Capital surplus	5,381	5,380
Treasury stock	(12,434)	(26,998)
Retained earnings	269,715	268,136
Other components of equity	59,569	63,799
Total equity attributable to owners of parent	326,932	315,017
Non-controlling interests	21,771	19,584
Total equity	348,703	334,601
Total liabilities and equity	446,214	437,347

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income
Condensed Quarterly Consolidated Statements of Income
Consolidated Cumulative Third Quarter

(Unit: Million yen)

	Consolidated cumulative third quarter of FY2024 (April 1, 2023– December 31, 2023)	Consolidated cumulative third quarter of FY2025 (April 1, 2024– December 31, 2024)
Revenue	329,497	339,619
Cost of sales	(283,330)	(295,024)
Gross profit	46,166	44,594
Selling, general and administrative expenses	(33,071)	(35,114)
Other income	2,218	2,235
Other expenses	(1,274)	(382)
Operating income	14,040	11,332
Finance income	3,751	3,491
Finance costs	(221)	(610)
Share of profit (loss) of investments accounted for using the equity method	(67)	7
Income before tax	17,502	14,220
Income tax expense	(5,255)	(4,226)
Net income	12,246	9,994
Income attributable to		
Owners of parent	9,363	8,112
Non-controlling interests	2,883	1,881
Net income	12,246	9,994
Earnings per share		
Basic earnings per share (yen)	73.42	65.94
Diluted earnings per share (yen)	—	—

Condensed Quarterly Consolidated Statements of Comprehensive Income
Consolidated Cumulative Third Quarter

(Unit: Million yen)

	Consolidated cumulative third quarter of FY2024 (April 1, 2023– December 31, 2023)	Consolidated cumulative third quarter of FY2025 (April 1, 2024– December 31, 2024)
Net income	12,246	9,994
Other comprehensive income		
Components that will not be reclassified subsequently to net profit or loss		
Remeasurements of defined benefits plans	(21)	(7)
Financial assets measured at fair value through other comprehensive income	3,060	(2,709)
Share of other comprehensive income of associates accounted for using the equity method	249	(77)
Total components that will not be reclassified subsequently to net profit or loss	3,288	(2,794)
Components that may be reclassified subsequently to net profit or loss		
Differences on translation from foreign operations	8,483	7,724
Share of other comprehensive income of associates accounted for using the equity method	667	279
Total components that may be reclassified subsequently to net profit or loss	9,150	8,003
Other comprehensive income, net of tax	12,439	5,209
Comprehensive income for the period	24,685	15,203
Comprehensive income for the period attributable to		
Owners of parent	21,288	12,342
Non-controlling interests	3,396	2,861
Comprehensive income for the period	24,685	15,203

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Consolidated Cumulative Third Quarter of FY2024 (April 1, 2023 – December 31, 2023)

(Unit: Million yen)

	Equity attributable to owners of parent				
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity
Balance at the beginning of the fiscal year	4,700	5,392	(12,508)	268,172	33,035
Comprehensive income					
Net income				9,363	
Other comprehensive income					11,925
Total comprehensive income	–	–	–	9,363	11,925
Transactions with owners, etc.					
Dividends				(8,672)	
Acquisition of treasury stock					
Disposal of treasury stock		(83)	83		
Share-based payments		89			
Other			(9)		
Total transactions with owners, etc.	–	6	74	(8,672)	–
Balance at the end of the period	4,700	5,398	(12,434)	268,864	44,960

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at the beginning of the fiscal year	298,791	24,666	323,458
Comprehensive income			
Net income	9,363	2,883	12,246
Other comprehensive income	11,925	513	12,439
Total comprehensive income	21,288	3,396	24,685
Transactions with owners, etc.			
Dividends	(8,672)	(7,436)	(16,109)
Acquisition of treasury stock	–	–	–
Disposal of treasury stock	–	–	–
Share-based payments	89	–	89
Other	(9)	–	(9)
Total transactions with owners, etc.	(8,591)	(7,436)	(16,028)
Balance at the end of the period	311,489	20,626	332,116

Consolidated Cumulative Third Quarter of FY2025 (April 1, 2024 – December 31, 2024)

(Unit: Million yen)

	Equity attributable to owners of parent				
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity
Balance at the beginning of the fiscal year	4,700	5,381	(12,434)	269,715	59,569
Comprehensive income					
Net income				8,112	
Other comprehensive income					4,229
Total comprehensive income	–	–	–	8,112	4,229
Transactions with owners, etc.					
Dividends				(9,691)	
Acquisition of treasury stock		(35)	(14,999)		
Disposal of treasury stock		(38)	434		
Share-based payments		73			
Other		0	0		
Total transactions with owners, etc.	–	(1)	(14,564)	(9,691)	–
Balance at the end of the period	4,700	5,380	(26,998)	268,136	63,799

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at the beginning of the fiscal year	326,932	21,771	348,703
Comprehensive income			
Net income	8,112	1,881	9,994
Other comprehensive income	4,229	980	5,209
Total comprehensive income	12,342	2,861	15,203
Transactions with owners, etc.			
Dividends	(9,691)	(5,048)	(14,739)
Acquisition of treasury stock	(15,035)		(15,035)
Disposal of treasury stock	396		396
Share-based payments	73		73
Other	0		0
Total transactions with owners, etc.	(24,257)	(5,048)	(29,305)
Balance at the end of the period	315,017	19,584	334,601

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Unit: Million yen)

	Consolidated cumulative third quarter of FY2024 (April 1, 2023– December 31, 2023)	Consolidated cumulative third quarter of FY2025 (April 1, 2024– December 31, 2024)
Cash flows from operating activities		
Income before tax	17,502	14,220
Depreciation and amortization	9,388	10,468
Impairment loss	115	101
Loss (gain) on disposal of non-current assets	(495)	(1,459)
Finance income and finance costs	(2,770)	(2,781)
Share of loss (profit) of investments accounted for using the equity method	67	(7)
Decrease (increase) in trade and other receivables	2,121	2,077
Decrease (increase) in lease receivables	3,162	1,324
Decrease (increase) in inventories	(1,097)	(4,718)
Increase (decrease) in trade and other payables	2,237	4,200
Increase or decrease in net defined benefit asset or liability	17	121
Increase (decrease) in provisions	(422)	(75)
Other	986	528
Subtotal	30,811	24,000
Interest income received	2,204	2,023
Dividend income received	1,681	1,743
Interest expenses paid	(215)	(610)
Income taxes paid	(6,712)	(7,669)
Cash flows from operating activities	27,770	19,487
Cash flows from investing activities		
Payments into time deposits	(4,522)	(23,887)
Proceeds from withdrawal of time deposits	12,499	13,297
Purchase of property, plant and equipment	(9,313)	(11,722)
Proceeds from sales of property, plant and equipment	952	2,338
Purchase of intangible assets	(2,491)	(5,038)
Purchase of equity instruments	(92)	(4,159)
Proceeds from sales of equity instruments	–	5
Payments of loans receivable	(212)	(117)
Collection of loans receivable	99	235
Other	536	5
Cash flows from investing activities	(2,544)	(29,041)

(Unit: Million yen)

	Consolidated cumulative third quarter of FY2024 (April 1, 2023– December 31, 2023)	Consolidated cumulative third quarter of FY2025 (April 1, 2024– December 31, 2024)
Cash flows from financial activities		
Repayments of lease liabilities	(1,061)	(1,251)
Purchase of treasury stock	–	(14,999)
Cash dividends paid	(8,687)	(9,700)
Cash dividends paid to non-controlling interests	(7,651)	(5,061)
Cash flows from financial activities	(17,400)	(31,013)
Effect of exchange rate change on cash and cash equivalents	2,646	3,464
Net increase (decrease) in cash and cash equivalents	10,471	(37,102)
Cash and cash equivalents at the beginning of the period	132,914	150,755
Cash and cash equivalents at the end of the period	143,386	113,652

(5) Notes Concerning Condensed Quarterly Consolidated Financial Statements

(Notes Concerning Going Concern Assumption)

Not applicable

(Notes Concerning Segment Information)

Information about revenue, profits, or losses for reportable segments

Consolidated Cumulative Third Quarter of FY2024 (April 1, 2023 – December 31, 2023)

(Unit: Million yen)

	Reportable segments					Adjustments	Amounts stated in consolidated F/S
	Japan	Americas	China	Asia and Europe	Total		
Revenue							
External revenue	49,775	175,167	70,779	33,774	329,497	–	329,497
Inter-segment transfer	16,017	469	1,484	1,629	19,600	(19,600)	–
Total	65,793	175,636	72,264	35,403	349,098	(19,600)	329,497
Segment profits	6,387	1,891	8,720	1,748	18,749	(4,708)	14,040
Finance income and finance costs	–	–	–	–	–	–	3,529
Share of loss of investments accounted for using the equity method	–	–	–	–	–	–	(67)
Income before tax	–	–	–	–	–	–	17,502

- (Notes)
1. Adjustments of (4,708) million yen for segment profits include a deduction of (46) million yen for transactions among segments and operating expenses of (4,662) million yen associated with the administrative division at the parent company headquarters, which could not be allocated.
 2. Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.

Consolidated Cumulative Third Quarter of FY2025 (April 1, 2024 – December 31, 2024)

(Unit: Million yen)

	Reportable segments					Adjustments	Amounts stated in consolidated F/S
	Japan	Americas	China	Asia and Europe	Total		
Revenue							
External revenue	62,533	192,573	54,323	30,189	339,619	–	339,619
Inter-segment transfer	15,159	696	1,946	1,986	19,787	(19,787)	–
Total	77,692	193,269	56,269	32,176	359,406	(19,787)	339,619
Segment profits	7,036	3,170	5,517	309	16,034	(4,701)	11,332
Finance income and finance costs	–	–	–	–	–	–	2,880
Share of profit of investments accounted for using the equity method	–	–	–	–	–	–	7
Income before tax	–	–	–	–	–	–	14,220

- (Notes)
1. Adjustments of (4,701) million yen for segment profits include a deduction of (131) million yen for transactions among segments and operating expenses of (4,570) million yen associated with the administrative division at the parent company headquarters, which could not be allocated.
 2. Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.

(Significant changes in the scope of consolidation during the period)

The Group merged its consolidated subsidiary SOWA SANGYO CO., LTD. with TECH TOEI CO., LTD. during the first quarter. As a result, TECH TOEI CO., LTD. has been excluded from the scope of consolidation effective during the first quarter. In addition, SOWA SANGYO CO., LTD. has changed its company name to TS PARTS & SERVICE CO., LTD.

As the merger took place between two wholly-owned subsidiaries, the impact on the consolidated operating results is minimal.