



Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)



August 8, 2025

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Securities code: 7294
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

Listed: Tokyo Stock Exchange
Exchange:
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(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	41,428	(7.1)	341	—	292	—	(160)	—
June 30, 2024	44,581	6.5	(395)	—	(628)	—	(1,038)	—

Note: Comprehensive income for the three months ended June 30, 2025 ¥ (2,173) million — [%]
for the three months ended June 30, 2024 ¥ 1,336 million (57.1) [%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	(6.65)	—
June 30, 2024	(42.69)	—

Note: Earnings per share (diluted) for the three months is not indicated because the basic earnings per share for the period is a loss, despite the presence of diluted shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	132,446	58,337	37.4
March 31, 2025	136,601	61,204	38.1

Reference: Equity as of June 30, 2025 ¥ 49,510 million
as of March 31, 2025 ¥ 52,009 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	15.00	—	16.00	31.00
March 31, 2026	—	—	—	—	—
March 31, 2026 (Forecast)	—	15.00	—	16.00	31.00

Note: Revisions to the forecast of cash dividends since the latest disclosure; none

3. Forecast of consolidated performance 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 income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	84,000	(7.6)	630	421.7	530	—	100	—	4.13
Full-year	173,000	(3.0)	2,600	771.2	1,800	—	800	—	32.98

Note: Revisions to the forecast of consolidated performance since the latest disclosure; yes

* Notes

(1) Significant changes in the scope of consolidation during the first quarter of the fiscal year ending March 31, 2026: None

Newly included: — companies

Excluded: — companies

(2) Adoption of specific accounting policies in the preparation of the quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1 Changes in accounting policies due to revisions to accounting standards and other regulations: None

2 Changes in accounting policies due to other reasons: None

3 Changes in accounting estimates: None

4 Restatement: None

(4) Number of shares issued (common stock)

1	Total number of issued shares at the end of the period (including treasury shares)	As of June 30, 2025	25,055,636 shares	As of March 31, 2025	25,055,636 shares
2	Number of treasury shares at the end of the period	As of June 30, 2025	854,059 shares	As of March 31, 2025	756,859 shares
3	Average number of shares outstanding during the period	Three months ended June 30, 2025	24,198,640 shares	Three months ended June 30, 2024	24,322,639 shares

* Review of the consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation on the appropriate use of performance forecasts and other special notes

- The future outlook and forecasts contained in this document are based on information currently available to the company and on certain assumptions that we consider reasonable. They do not serve as a guarantee that such results will be achieved by the company. Actual performance could vary significantly due to various factors. For conditions underlying the Performance Forecasts and cautionary notes on using these forecasts, please refer to the attached materials on page 3, section (3) “Explanation of future consolidated performance outlook.”

○Table of Contents of the Attached Documents

1. Qualitative Information on Quarterly Financial Statements	2
(1) Explanation of management performance.....	2
(2) Summary of financial position.....	3
(3) Explanation of future consolidated performance outlook	3
2. Quarterly Consolidated Financial Statements and Key Notes	4
(1) Quarterly consolidated balance sheet	4
(2) Quarterly consolidated profit and loss statement and comprehensive income statement	6
(3) Notes to quarterly consolidated financial statements	8
(Notes regarding assumption of a going concern)	8
(Notes to significant changes in shareholder's equity)	8
(Adoption of specific accounting policies in the preparation of the quarterly consolidated financial statements).....	8
(Segment information, etc.)	9
(Notes to the quarterly consolidated cash flow statement)	10

1. Qualitative Information on Quarterly Financial Statements

(1) Explanation of management performance

During the first three-month period, the heightened uncertainty of the global economy continued due to unprecedented factors such as changes in trade policy under the U.S. administration, geopolitical risks, and economic slowdown in China.

The production volume in the automotive industry, to which the group is related, is expected to continuously face challenging conditions due to factors such as the production reduction impact of Japanese, American and European OEMs in China that has been ongoing since last year, and the impact of U.S. tariffs.

In this environment, the group's net sales decreased by 7.1% year-on-year to ¥41,428 million, attributed to the decline in production volumes in Japan, the Americas, and Asia, as well as a decrease in tooling sales. Operating income increased by ¥736 million year-on-year to ¥341 million, driven by group-wide promotion of the "Success 25V" rationalization activities launched in January 2025 and improvements in quality, despite the decline in profits due to reduced sales, as well as initial expenses related to the establishment of the Yorozu Sustainable Manufacturing Center (YSMC) that commenced operations last year. Ordinary income increased by ¥921 million year-on-year to ¥292 million, mainly due to the improvement in operating income. The quarterly net loss attributable to owners of the parent company recovered by ¥877 million year-on-year to ¥160 million.

It should be noted that the financial results of overseas subsidiaries in the consolidated financial statements are translated into Japanese yen using the average exchange rate for each subsidiary's fiscal year period. The U.S. dollar exchange rate for the cumulative period of their first quarter (January to March) was ¥152.70 per dollar (compared to ¥148.63 per dollar in the same period of the previous year).

The situation for each segment is as follows.

① Japan

Net sales decreased by 2.4% year-on-year to ¥12,865 million due primarily to a decrease in production volume. Operating income decreased by ¥778 million year-on-year to a loss of ¥121 million, attributed to initial expenses related to the launch of YSMC and reduced profits in tooling sales.

② The Americas

Net sales decreased by 3.1% year-on-year to ¥22,300 million, attributed to a decrease in production volume in the United States and reduced tooling sales in Mexico. Operating income increased by ¥1,444 million year-on-year to ¥331 million, driven by the effects of quality improvement and rationalization activities.

③ Asia

Net sales decreased by 25.5% year-on-year to ¥7,592 million, due to a significant decrease in production volume in China, along with drops in Thailand, Indonesia, and other countries. Operating income decreased by ¥18 million year-on-year to ¥34 million amid a substantial decrease in production volume, despite rationalization efforts.

(2) Summary of financial position

(Assets Section)

Current assets decreased by ¥2,771 million compared to the end of the previous consolidated fiscal year, totaling ¥78,388 million. This decrease was primarily due to an increase in “work in process” by ¥720 million, “trade notes and accounts receivable” by ¥517 million, and “raw materials and supplies” by ¥157 million, offset by a decrease in “cash on hand and in banks” by ¥4,374 million.

Fixed assets decreased by ¥1,383 million compared to the end of the previous consolidated fiscal year, totaling ¥54,058 million. This decrease was attributed to reductions in “buildings and structures, net” by ¥668 million, “construction in progress” by ¥269 million, “investments and other assets” by ¥235 million, and “machinery, equipment and vehicles, net” by ¥231 million.

As a result, total assets decreased by ¥4,155 million compared to the end of the previous consolidated fiscal year, amounting to ¥132,446 million.

(Liabilities Section)

Current liabilities decreased by ¥1,507 million compared to the end of the previous consolidated fiscal year, totaling ¥49,785 million. This was mainly due to an increase in “bonus payable” by ¥481 million, offset by decreases in “short-term borrowings” by ¥1,565 million and “trade notes and accounts payable” by ¥464 million.

Fixed liabilities increased by ¥218 million compared to the end of the previous consolidated fiscal year, totaling ¥24,323 million. This increase was attributed to an increase in “long-term borrowings” by ¥451 million, despite reductions in “retirement benefit liabilities” by ¥95 million, “other long-term liabilities” by ¥75 million, and “lease debt” by ¥62 million.

As a result, total liabilities decreased by ¥1,288 million compared to the end of the previous consolidated fiscal year, amounting to ¥74,108 million.

(Net Assets Section)

Total net assets decreased by ¥2,866 million compared to the end of the previous consolidated fiscal year, totaling ¥58,337 million. This decrease was primarily due to reductions in “foreign currency translation adjustment” by ¥1,770 million, “retained earnings” by ¥549 million, and “non-controlling interests” by ¥341 million.

(3) Explanation of future consolidated performance outlook

Regarding the consolidated performance forecast, we announced the second quarter forecast (interim period) on August 8, 2025. For the full-year consolidated performance forecast, there have been no changes to the forecast values disclosed in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 Under Japanese GAAP” on May 15, 2025.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly consolidated balance sheet

(Millions of yen)

	Previous fiscal year As of March, 31, 2025	Current first quarter As of June 30, 2025
Assets		
Current assets		
Cash on hand and in banks	27,929	23,554
Trade notes and accounts receivable	27,383	27,900
Electronically recorded obligations	2,364	2,367
Finished goods	3,430	3,413
Raw materials and supplies	1,290	1,448
Parts etc.	4,458	4,500
Work in process	8,000	8,720
Other	7,057	7,193
Allowance for doubtful accounts	(753)	(712)
Total current assets	81,159	78,388
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	17,111	16,442
Machinery, equipment and vehicles, net	18,408	18,177
Construction in progress	4,106	3,836
Other, net	6,012	6,018
Total property, plant and equipment	45,638	44,475
Intangible fixed assets	141	156
Investments and other assets	9,661	9,426
Total fixed assets	55,441	54,058
Total assets	136,601	132,446

(Millions of yen)

	Previous fiscal year As of March 31, 2025	Current first quarter As of June 30, 2025
Liabilities		
Current liabilities		
Trade notes and accounts payable	15,033	14,568
Electronically recorded obligations	1,949	2,428
Contract liability	1,242	1,492
Lease debt	242	242
Short-term borrowings	11,842	10,277
Current portion of long-term borrowings	9,504	9,331
Accounts payable-other	1,842	1,717
Accrued income tax payable	278	486
Bonus payable	1,346	1,827
Provision for directors' bonuses	82	106
Other current liabilities	7,928	7,306
Total current liabilities	51,292	49,785
Long-term liabilities		
Long-term borrowings	17,390	17,842
Retirement benefit liabilities	1,102	1,007
Lease debt	3,783	3,720
Other long-term liabilities	1,828	1,753
Total long-term liabilities	24,105	24,323
Total liabilities	75,397	74,108
Net assets		
Shareholders' equity		
Capital stock	6,200	6,200
Capital surplus	9,136	9,134
Retained earnings	29,729	29,180
Treasury stock	(1,031)	(1,117)
Total shareholders' equity	44,036	43,398
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	3,597	3,437
Foreign currency translation adjustment	4,867	3,096
Retirement benefit adjustments	(491)	(421)
Total accumulated other comprehensive income	7,973	6,112
Stock option	517	492
Non-controlling interests	8,676	8,334
Total equity	61,204	58,337
Total liabilities and equity	136,601	132,446

(2) Quarterly consolidated profit and loss statement and comprehensive income statement

Quarterly consolidated profit and loss statement

First quarter consolidated cumulative period

(Millions of yen)

	Previous first quarter (From April 1, 2024 to June 30, 2024)	Current first quarter (From April 1, 2025 to June 30, 2025)
Net sales	44,581	41,428
Cost of sales	40,166	37,489
Gross profit	4,414	3,939
Selling, general and administrative expenses	4,809	3,597
Operating income (loss)	(395)	341
Non-operating income		
Interest income	94	76
Dividends income	131	113
Foreign exchange gain	79	215
Miscellaneous income	23	48
Total non-operating income	328	454
Non-operating expenses		
Interest expense	200	243
Start-up costs	103	130
Derivative valuation loss	259	121
Miscellaneous expenses	0	8
Total non-operating expenses	562	503
Ordinary income (loss)	(628)	292
Extraordinary income		
Gain on sale of fixed assets	12	1
Total extraordinary income	12	1
Extraordinary loss		
Loss on disposal of fixed assets	0	0
Economic compensation	—	67
Total extraordinary loss	0	67
Profit (loss) before income taxes	(616)	226
Income taxes	425	338
Net profit (loss) for the three months	(1,041)	(112)
Net profit (loss) attributable to non-controlling interests	(3)	48
Net profit (loss) attributable to owners of parent	(1,038)	(160)

Quarterly consolidated comprehensive income statement

First quarter consolidated cumulative period

(Millions of yen)

	Previous first quarter (From April 1, 2024 to June 30, 2024)	Current first quarter (From April 1, 2025 to June 30, 2025)
Net income (loss)	(1,041)	(112)
Other comprehensive income		
Unrealized holding gain and loss on securities	55	(160)
Foreign currency translation adjustments	2,400	(1,983)
Remeasurements of defined benefit plans	(77)	82
Total other comprehensive income	2,377	(2,061)
Comprehensive income	1,336	(2,173)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	934	(1,831)
Comprehensive income attributable to non-controlling interests	401	(341)

(3) Notes to quarterly consolidated financial statements

(Notes regarding assumption of a going concern)

Not applicable.

(Notes to significant changes in shareholders' equity)

Not applicable.

(Adoption of specific accounting policies in the preparation of the quarterly consolidated financial statements)

(Calculation of tax expenses)

Regarding tax expenses, we estimate the effective tax rate applied to the pre-tax quarterly net income for the consolidated fiscal year, including the first quarter consolidated cumulative period, in a reasonable manner, and calculate the tax expenses by multiplying the pre-tax quarterly net income by the estimated effective tax rate.

However, if using the estimated effective tax rate to calculate the tax expense results in a significantly unreasonable outcome, the statutory effective tax rate method is adopted for calculation.

(Segment information etc.)

(Segment information)

I. Three months of the previous consolidated fiscal year (from April 1, 2024 to June 30, 2024)

1. Net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segments			Total
	Japan	The Americas	Asia	
Net Sales				
Sales to external customers	11,477	22,942	10,161	44,581
Inter-segment sales	1,711	59	35	1,805
Total	13,188	23,001	10,196	46,386
Segment profits (loss)	656	(1,113)	52	(403)

2. Difference between segment total and total amounts in the quarterly consolidated financial statements, and its details (items related to difference adjustments)

(Millions of yen)

Profits	Amount
Total reportable segments (loss)	(403)
Inter-segment transactions adjustment	8
Operating income (loss) of the quarterly consolidated statement of income	(395)

II. Three months of the current consolidated fiscal year (from April 1, 2025 to June 30, 2025)

1. Net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segments			Total
	Japan	The Americas	Asia	
Net sales				
Sales to external customers	11,619	22,219	7,589	41,428
Inter-segment sales	1,246	80	2	1,329
Total	12,865	22,300	7,592	42,757
Segment profit (loss)	(121)	331	34	243

2. Difference between segment total and total amounts in the quarterly consolidated financial statements, and its details (items related to difference adjustments)

(Millions of yen)

Profits	Amount
Total reportable segments	243
Inter-segment transactions adjustment	97
Operating income of the quarterly consolidated statement of income	341

(Notes to the quarterly consolidated cash flow statement)

The consolidated quarterly cash flow statement for the current three-month period has not been prepared. Depreciation and amortization (including depreciation related to the intangible assets) for the three months is as follows:

(Millions of yen)

	Previous Q1 Consolidated Cumulative Period (From April 1, 2024 to June 30, 2024)	Current Q1 Consolidated Cumulative Period (From April 1, 2025 to June 30, 2025)
Depreciation and amortization	1,865	1,500