

February 6, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Japanese GAAP)

Company name: Musashi Seimitsu Industry Co., Ltd. Listing: Tokyo Stock Exchange / Nagoya Stock Exchange Securities code: 7220 URL: https://www.musashi.co.jp Representative: Hiroshi Otsuka, President & Representative Director Inquiries: Hiroki Matsuda, Deputy CFO Telephone: +81-532-25-8111 Scheduled date to commence dividend payments: - Preparation of supplementary material on financial results: Yes Holding of financial results briefing: Yes (for institutional investors and analysts)	
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(Amounts are rounded to the nearest million yen.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2025	252,990	(1.4)	12,674	5.1	12,526	13.7	(696)	-
December 31, 2024	256,626	(0.3)	12,057	4.6	11,019	2.4	5,168	(19.0)

Note: Comprehensive income For the nine months ended December 31, 2025: ¥8,567 million [2.8%]
For the nine months ended December 31, 2024: ¥8,336 million [(43.1)%]

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Nine Months Ended		
December 31, 2025	(10.62)	-
December 31, 2024	78.90	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Asset Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2025	309,513	128,535	38.3	1,810.84
March 31, 2025	285,126	123,969	40.2	1,751.52

Reference: Equity As of December 31, 2025: ¥118,687 million
As of March 31, 2025: ¥114,761 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	-	25.00	-	25.00	50.00
Fiscal Year Ending March 31, 2026	-	25.00	-		
Fiscal Year Ending March 31, 2026 (Forecast)				15.00	40.00

Note: Revisions to the forecast of cash dividends most recently announced: Yes

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal Year Ending March 31, 2026	330,000	(5.0)	18,000	(8.7)	17,500	(2.7)	1,000	(87.2)	15.26

Note: Revisions to the earnings forecasts most recently announced: Yes

*Notes

- (1) Significant Changes in the Scope of Consolidation during the Period: Yes
Newly included: 1 company (Musashi Energy Solutions North America, Inc.)
- (2) Adoption of Accounting Treatment Specific to the Preparation of Quarterly Consolidated Financial Statements: Yes
Note: For details, please refer to "(3) Notes to the Quarterly Consolidated Financial Statements (Adoption of Accounting Treatments Specific to the Preparation of Quarterly Consolidated Financial Statements)" of "2. Quarterly Consolidated Financial Statements and Significant Notes" on the attached materials .
- (3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of Issued Shares (common shares)

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

As of December 31, 2025	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 December 31, 2025	39,290 shares
As of March 31, 2025	35,825 shares

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

Nine months ended December 31, 2025	65,533,485 shares
Nine months ended December 31, 2024	65,508,605 shares

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

*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 considered to be reasonable. However, the Company does not guarantee that these forecasts will be achieved. Actual financial results, etc. may differ significantly due to various factors. For the assumptions underlying the earnings forecasts and cautions regarding the use thereof, please refer to "(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements" in "1. Qualitative Information on Quarterly Financial Results" on page 3 of the attached materials.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the consolidated cumulative period of the third quarter (April 1, 2025 to June 30, 2025), the global economy remained on a moderate recovery trend. However, the impact of U.S. trade policy became evident particularly in the automobile industry, and continued uncertainty in the international situation persisted, warranting ongoing caution regarding downside risks to economic activity. In the United States, the economy remained resilient, supported by a solid labor market and wage growth, although developments in tariff policy require continued attention. In Europe, weakness in the manufacturing sector has been prolonged, and signs of a pickup have stalled, particularly in Germany. In China, while government stimulus measures have provided support, the adjustment in the real estate market has continued, resulting in situation in which the economy has remained sluggish.

In the automobile industry, companies continued to reassess their electrification strategies. The growth in demand for battery electric vehicles (BEVs) has remained on a decelerating trend due to factors such as revisions to subsidy programs in major markets and delays in the development of charging infrastructure. Meanwhile, demand for hybrid electric vehicles (HEVs) has remained solid worldwide, and automakers are advancing portfolio strategies that encompass a diverse range of powertrains, including BEVs, HEVs, and plug-in hybrid electric vehicles (PHEVs). In certain countries and regions, including the United States, the impact of tariff policies has persisted, and original equipment manufacturers (OEMs) have accelerated efforts to optimize their production and supply structures. In addition, during the third quarter, some OEMs temporarily adjusted production due to supply constraints in automotive semiconductors; however, the impact remained short-lived, and the situation is moving toward normalization.

To address changes in the business environment such as geopolitical risks and tariff policy revisions, the Group has been reinforcing its management foundation. In our core business, orders for components for BEVs and HEVs, including differential assemblies, have remained firm. In regions affected by U.S. tariff policies, the move toward local production has accelerated alongside customers' reconfiguration of production and supply systems, resulting in increased inquiries to the Company. In China, orders from local OEMs have expanded, and we are building a foundation for medium- to long-term growth. In Europe, the challenging market environment has continued. Reflecting regional demand trends, the Group has decided to carry out further structural reforms, including optimizing production capacity, to shift to a business structure capable of generating profits even under these conditions.

In new business domains, the Group has been accelerating the establishment of a mass production framework for hybrid supercapacitors (HSCs), for which demand is rapidly expanding for AI data center applications in the Energy Solution business. We are constructing a new plant in Minami-Alps City, Yamanashi Prefecture, with preparations progressing toward the start of operations this fall. In the e-Mobility business, we are focusing on sales activities to external customers, particularly in the India region. In the Smart Industry business, we are working to strengthen the profitability of the inspection equipment business and to accelerate growth in the automated material handling business.

Under these circumstances, consolidated net sales for the nine months ended December 31, 2025 were 252,990 million yen, down 1.4% year on year. Consolidated operating profit rose 5.1% to 12,674 million yen, while consolidated ordinary profit increased 13.7% to 12,526 million yen. Due to the recording of structural reform expenses and other items, the Company recorded a quarterly consolidated net loss attributable to owners of parent of 696 million yen, compared with a net profit of 5,168 million yen in the same period of the previous year.

The business performance by segment is as follows:

(Japan)

Although sales remained steady, upfront investment costs for the Energy Solution business increased. As a result, net sales were 29,761 million yen (up 3.2% year-on-year), and segment profit was 1,552 million yen (down 36.4% year-on-year).

(Americas)

Performance continued to be strong following the previous year, however, there were temporary production adjustments by customers due to semiconductor shortages and other factors, net sales were 79,945 million yen (up 5.3% year-on-year), and segment profit was 3,067 million yen (down 17.3% year-on-year).

(Asia)

Due to steady sales for two-wheeled vehicles, however, sales for four-wheeled vehicles remained sluggish, net sales were 58,906 million yen (down 3.4% year-on-year), and segment profit was 6,732 million yen (up 0.3% year-on-year).

(China)

Amid the ongoing slump in sales for Japanese automakers, thorough cost management resulted in net sales of 22,709 million yen (down 6.4% year-on-year) and segment profit of 877 million yen (up 631.4% year-on-year).

(Europe)

While the overall automotive market remained sluggish, the Group continued to promote improvement measures such as cost management. As a result, net sales were 61,666 million yen (down 7.5% year-on-year), and segment profit was 385 million yen (compared to a segment loss of 879 million yen in the same period of the previous year).

(2) Explanation of Financial Position

Total assets increased by 24,386 million yen from the end of the previous fiscal year to 309,513 million yen.

Current assets increased by 12,094 million yen from the end of the previous fiscal year to 159,002 million yen. This was primarily due to an increase in cash and deposits.

Non-current assets increased by 12,292 million yen from the end of the previous fiscal year to 150,510 million yen. This was mainly attributable to an increase in construction in progress.

Total liabilities increased by 19,821 million yen from the end of the previous fiscal year to 180,977 million yen. This was primarily due to an increase in short-term borrowing.

Net assets, including non-controlling interests, increased by 4,565 million yen from the end of the previous fiscal year to 128,535 million yen.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements

The Company hereby announces that it has revised its consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025, to March 31, 2026), originally published on May 14, 2025, as follows:

Revision of Full-year Consolidated Earnings Forecast (April 1, 2025, to March 31, 2026)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent	Basic Earnings per Share (EPS)
	Million yen	Million yen	Million yen	Million yen	Yen Sen
Previous Forecast (A)	330,000	21,000	18,500	11,000	167.91
Revised Forecast (B)	330,000	18,000	17,500	1,000	15.26
Change (B - A)	0-	(3,000)	(1,000)	(10,000)	
Percentage Change (%)	0.0-	(14.3)	(5.4)	(90.9)	
(Reference) Actual Results for the Previous Fiscal Year (Fiscal year ended March 31, 2025)	347,196	19,720	17,981	7,782	118.80

(Reasons for Revision)

Regarding operating profit, it is expected to be lower than the previous forecast, primarily due to an increase in upfront expenses associated with the launch of the Energy Solution business.

Ordinary profit has been revised based on a review of non-operating income and expenses, reflecting recent exchange rate trends and other factors.

Regarding profit attributable to owners of parent, it is expected to be lower than the previous forecast due to the decision to record structural reform expenses aimed at improving profitability at European subsidiaries.

As a result of the above, the full-year consolidated earnings forecast has been revised as stated above.

Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	33,849	43,650
Notes and accounts receivable - trade	51,033	43,811
Merchandise and finished goods	11,518	14,874
Work in process	11,059	12,408
Raw materials and supplies	31,018	34,287
Other	9,052	11,455
Allowance for doubtful accounts	(622)	(1,485)
Total current assets	146,908	159,002
Non-current assets		
Property, plant and equipment		
Buildings and structures	61,072	66,406
Accumulated depreciation	(34,864)	(38,442)
Accumulated impairment	(4)	(5)
Buildings and structures, net	26,203	27,958
Machinery, equipment and vehicles	307,774	330,008
Accumulated depreciation	(245,664)	(269,301)
Accumulated impairment	(514)	(407)
Machinery, equipment and vehicles, net	61,595	60,299
Tools, furniture and fixtures	18,511	19,344
Accumulated depreciation	(14,126)	(15,313)
Tools, furniture and fixtures, net	4,384	4,030
Land	9,860	10,273
Construction in progress	9,171	22,121
Total property, plant and equipment	111,216	124,683
Intangible assets		
Goodwill	815	643
Customer-related intangible assets	1,541	1,334
Software	784	793
Software in progress	7	14
Other	509	464
Total intangible assets	3,658	3,250
Investments and other assets		
Investment securities	13,135	13,539
Investments in capital	1,528	1,606
Long-term loans receivable	154	127
Retirement benefit asset	661	-
Deferred tax assets	4,179	4,435
Other	3,729	2,903
Allowance for doubtful accounts	(45)	(36)
Total investments and other assets	23,343	22,576
Total non-current assets	138,218	150,510
Total assets	285,126	309,513

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	22,342	19,668
Short-term borrowings	35,940	57,229
Current portion of long-term borrowings	10,852	16,786
Accounts payable - other	5,926	4,619
Accrued expenses	9,253	11,223
Income taxes payable	2,069	1,047
Provision for bonuses	2,824	1,857
Provision for bonuses for directors (and other officers)	61	38
Provision for product warranties	37	49
Provision for loss on guarantees	200	200
Provision for loss on litigation	162	368
Provision for business restructuring	-	6,302
Other	5,367	5,391
Total current liabilities	95,038	124,783
Non-current liabilities		
Long-term borrowings	49,996	38,316
Deferred tax liabilities	5,233	4,912
Retirement benefit liability	8,247	9,505
Other	2,640	3,458
Total non-current liabilities	66,117	56,194
Total liabilities	161,156	180,977
Net assets		
Shareholders' equity		
Share capital	5,639	5,675
Capital surplus	37	73
Retained earnings	93,157	89,196
Treasury shares	(8)	(8)
Total shareholders' equity	98,826	94,937
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,221	4,042
Foreign currency translation adjustment	12,350	19,914
Remeasurements of defined benefit plans	362	(206)
Total accumulated other comprehensive income	15,935	23,750
Non-controlling interests	9,208	9,848
Total net assets	123,969	128,535
Total liabilities and net assets	285,126	309,513

Quarterly Consolidated Statement of Income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	256,626	252,990
Cost of sales	219,517	214,321
Gross profit	37,109	38,668
Selling, general and administrative expenses	25,051	25,994
Operating profit	12,057	12,674
Non-operating income		
Interest income	431	409
Dividend income	495	394
Foreign exchange gains	-	1,582
Other	624	369
Total non-operating income	1,551	2,756
Non-operating expenses		
Interest expenses	1,860	1,609
Loss on valuation of investment securities	7	77
Share of loss of entities accounted for using equity method	291	215
Provision of allowance for doubtful accounts	-	859
Foreign exchange losses	201	-
Other	229	141
Total non-operating expenses	2,589	2,903
Ordinary profit	11,019	12,526
Extraordinary income		
Gain on sale of non-current assets	59	48
Insurance claim income	63	-
Gain on termination of retirement benefit plan	-	25
Total extraordinary income	123	74
Extraordinary losses		
Loss on sale of non-current assets	20	10
Loss on retirement of non-current assets	25	28
Loss on valuation of investment securities	3	937
Provision for loss on litigation	-	172
Impairment losses	701	-
Business restructuring costs	-	7,140
Total extraordinary losses	750	8,290
Profit before income taxes	10,392	4,309
Income taxes	4,434	4,226
Profit	5,958	83
Profit attributable to non-controlling interests	790	779
Profit (loss) attributable to owners of parent	5,168	(696)

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	5,958	83
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,121)	820
Foreign currency translation adjustment	3,794	8,324
Remeasurements of defined benefit plans, net of tax	(212)	(586)
Share of other comprehensive income of entities accounted for using equity method	(82)	(74)
Total other comprehensive income	2,377	8,483
Comprehensive income	8,336	8,567
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,269	7,119
Comprehensive income attributable to non-controlling interests	1,067	1,447

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

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.

(Adoption of Accounting Treatments Specific to the Preparation of the Quarterly Consolidated Financial Statements)

(Calculation of Tax Expense)

The Company and its domestic consolidated subsidiaries calculate income taxes by estimating a reasonable effective tax rate, after the application of tax effect accounting, applicable to income before income taxes for the current consolidated fiscal year and multiplying such estimated effective tax rate by income before income taxes for the quarter.

However, if applying the estimated effective tax rate results in a significantly unreasonable outcome, the statutory effective tax rate is used instead.

(Consolidated Balance Sheet Related Matters)

Provision for structural reform expenses Current nine months ended December 31, 2025 In order to prepare for future expenditures related to premium severance pay, legal fees, and other costs expected to arise from structural reforms in the European segment, an estimated amount has been recorded as a provision.

(Consolidated Income Statement Related Matters)

(Application of the Accounting Treatment and Disclosure Guidance on Corporate Income Taxes Related to the Global Minimum Tax Regime)

Our group companies have applied Paragraph 7 of the "Accounting Treatment and Disclosure Regarding Corporate Income Taxes under the Global Minimum Tax Regime" (Accounting Practice Response No. 46, issued on March 22, 2024), and has not recognized corporate income taxes related to the international minimum tax amount for the fiscal year including this Quarterly consolidated accounting period.

Expenses related to Business restructuring costs

Nine months ended December 31, 2025 : These expenses mainly consist of premium severance pay related to early retirement and provisions for other legal fees, etc., associated with structural reforms in the European segment.

(Notes to Quarterly Consolidated Statements of Cash Flows)

The consolidated statement of cash flows for the nine months ended December 31, 2025, is not prepared.

Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the nine months ended December 31, 2025, are as follows:

	Previous nine months (From April 1, 2024 to December 31, 2024)	Current nine months (From April 1, 2025 to December 31, 2025)
Depreciation	14,145 million yen	13,390 million yen
Amortization of goodwill	154	172

(Notes to Segment Information, etc.)

Segment Information

I. The nine months of the previous fiscal year (April 1, 2024 to December 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Millions of yen)

	Japan	Americas	Asia	China	Europe	Total	Adjustment Amount (Note) 1	Quarterly Consolidated Statements of Income (Note) 2
Sales								
Revenues from External Customers	28,851	75,917	60,952	24,273	66,632	256,626	-	256,626
Transactions with Other Segments	19,946	718	4,591	2,741	1,374	29,373	(29,373)	-
Total	48,797	76,636	65,544	27,015	68,007	286,000	(29,373)	256,626
Segment profit or loss (Loss)	2,441	3,706	6,712	119	(879)	12,100	(42)	12,057

Note: 1. Segment profit or loss (loss) adjustment amount of -42 million yen represents the elimination of inter-segment transactions.

2. Segment profit or loss (loss) is reconciled with operating income presented in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

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 in the nine months of the previous fiscal year.

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.

II. The nine months of the current fiscal year (April 1, 2025 to December 31, 2025)

1. Information on sales and the amount of profit or loss for each reporting segment

(Millions of yen)

	Japan	Americas	Asia	China	Europe	Total	Adjustment Amount (Note) 1	Quarterly Consolidated Statements of Income (Note) 2
Sales								
Revenues from External Customers	29,761	79,945	58,906	22,709	61,666	252,990	-	252,990
Transactions with Other Segments	18,876	49	4,821	2,819	984	27,551	(27,551)	-
Total	48,638	79,995	63,728	25,528	62,650	280,541	(27,551)	252,990
Segment Profit	1,552	3,067	6,732	877	385	12,615	58	12,674

Note: 1. The 58 million yen adjustment for segment profit represents the elimination of inter-segment transactions.

2. Segment profit is reconciled with operating income presented in the quarterly consolidated statements of income.

2. Information on impairment losses or goodwill on fixed assets by reporting segment

Not applicable.

(Revenue Recognition)

Breakdown of Revenue Arising from Contracts with Customers

Previous Quarterly Period (From April 1, 2024 to December 31, 2024)

(millions of yen)

	Japan	Americas	Asia	China	Europe	Total
Honda Motor Co., Ltd. and its Affiliates	17,043	60,542	42,665	7,954	-	128,205
Other Global Customers	11,807	15,375	18,287	16,318	66,632	128,420
Revenue from Contracts with Customers	28,851	75,917	60,952	24,273	66,632	256,626
Other Revenue	-	-	-	-	-	-
Sales to External Customers	28,851	75,917	60,952	24,273	66,632	256,626

Current Quarterly Period (From April 1, 2025 to December 31, 2025)

(millions of yen)

	Japan	Americas	Asia	China	Europe	Total
Honda Motor Co., Ltd. and its Affiliates	16,554	63,119	40,920	7,088	4	127,699
Other Global Customers	13,207	16,826	17,985	15,620	61,650	125,290
Revenue from Contracts with Customers	29,761	79,945	58,906	22,709	61,666	252,990
Other Income	-	-	-	-	-	-
Sales to External Customers	29,761	79,945	58,906	22,709	61,666	252,990

(Significant Subsequent Events)

Not applicable.