

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under IFRS)



MEMBERSHIP
May 15, 2026

Company name : SUBARU CORPORATION
 Listing : Tokyo Stock Exchange
 Securities code : 7270
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Scheduled date of annual general meeting of shareholders : June 24, 2026
 Scheduled date to commence dividend payments : June 25, 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 investment analysts and institutional investors)

(Yen amounts are rounded off to millions, unless otherwise noted.)

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	Revenue		Operating profit		Profit before tax		Profit for the year		Profit for the year attributable to owners of parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	4,784,965	2.1	40,120	(90.1)	107,469	(76.0)	90,905	(73.1)	90,842	(73.1)	206,053	(28.8)
March 31, 2025	4,685,763	(0.4)	405,308	(13.4)	448,507	(15.8)	338,152	(12.1)	338,062	(12.2)	289,447	(49.0)

Fiscal year ended	Profit for the year per share attributable to owners of parent, basic	Profit for the year per share attributable to owners of parent, diluted	Ratio of profit to equity attributable to owners of parent	Ratio of profit before income tax to total assets	Ratio of operating profit to revenue
	Yen	Yen	%	%	%
March 31, 2026	125.50	125.49	3.3	2.0	0.8
March 31, 2025	458.03	458.00	12.8	9.1	8.6

Reference: Share of profit (loss) of investments accounted for using equity method

For the fiscal year ended March 31, 2026: 166 million yen

For the fiscal year ended March 31, 2025: 10 million yen

(2) Consolidated financial position

As of	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
	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2026	5,492,301	2,781,661	2,780,407	50.6	3,886.35
March 31, 2025	5,088,246	2,715,708	2,714,517	53.3	3,713.26

(3) Consolidated cash flows

Fiscal year ended	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of the year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	358,227	(114,650)	(217,816)	1,005,334
March 31, 2025	492,136	(404,077)	(187,320)	941,460

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2025	—	48.00	—	67.00	115.00	84,115	25.1	3.2
March 31, 2026	—	57.00	—	58.50	115.50	83,257	92.0	3.0
Fiscal year ending March 31, 2027 (Forecast)	—	58.00	—	58.00	116.00		—	

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

3. Forecast of consolidated results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the year attributable to owners of parent		Profit for the year per share attributable to owners of parent, basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027 (Forecast)	5,200,000	8.7	150,000	273.9	180,000	67.5	130,000	43.1	179.59

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 10 companies

AOMORI SUBARU MOTORS CO., SANIN SUBARU INC and 8 other sales subsidiaries in Japan
Change in the scope of consolidation due to the integration of five sales subsidiaries in the Tohoku region and five sales subsidiaries in the Chugoku-Shikoku region.

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

- (i) Changes in accounting policies required by IFRS : None
- (ii) Changes in accounting policies due to other reasons : None
- (iii) Changes in accounting estimates : None

(3) Number of issued shares (common stock)

(i) Total number of issued shares at the end of the year (including treasury stock)

As of March 31, 2026	717,335,273 shares
As of March 31, 2025	733,057,473 shares

(ii) Number of treasury stock at the end of the year

As of March 31, 2026	1,906,899 shares
As of March 31, 2025	2,023,478 shares

(iii) Average number of shares outstanding during the year

Fiscal year ended March 31, 2026	723,850,939 shares
Fiscal year ended March 31, 2025	738,082,472 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.)

Fiscal year ended	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	2,495,303	(8.5)	1,451	(99.5)	39,680	(89.7)	(51,356)	—
March 31, 2025	2,726,000	5.9	279,086	20.2	386,708	10.1	325,015	19.4

Fiscal year ended	Net income per share, basic	Net income per share, diluted
	Yen	Yen
March 31, 2026	(70.91)	—
March 31, 2025	440.11	440.08

(2) Non-consolidated financial position

As of	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	3,390,915	1,378,618	40.7	1,925.91
March 31, 2025	3,290,055	1,550,695	47.1	2,120.08

Reference: Shareholders' equity

As of March 31, 2026: 1,378,618 million yen

As of March 31, 2025: 1,550,695 million yen

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

* Proper use of earnings forecasts, and other special matters

The performance projections were based on the information available as of the date when this document was released.

Therefore, actual results may differ considerably due to various factors that might occur in the future.

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1. Overview of operating results

(1) Overview of operating results for the fiscal year ended March 2026

The operating environment surrounding the SUBARU Group during the consolidated fiscal year underwent significant changes, including the impact of additional U.S. tariffs and changes in environmental regulations, while geopolitical risks such as the deteriorating situation in the Middle East became increasingly apparent.

Under such circumstances, Subaru Corporation (the “Company”) has continued to refine its unwavering value proposition of “Enjoyment and Peace of Mind,” while promoting initiatives aimed at realizing the “SUBARU Management Policy 2025” announced on November 10, 2025, in order to overcome this challenging business environment.

In the current consolidated fiscal year, revenue increased by 99.2 billion yen (2.1%) year on year to 4,785.0 billion yen, primarily owing to improvements in price & mixture, which offset the negative impact of lower unit sales and the 2-yen appreciation of the Japanese yen against the U.S. dollar.

Operating profit also declined by 365.2 billion yen (90.1%) year on year to 40.1 billion yen, profit before tax fell by 341.0 billion yen (76.0%) to 107.5 billion yen, and profit for the year attributable to owners of parent decreased by 247.2 billion yen (73.1%) to 90.8 billion yen on a year on year basis mainly due to the impact of additional U.S. tariffs, in addition to the above reasons.

(In Japanese yen in million except for profit margin and percentage change from the previous year)

	Revenue	Operating profit	Profit before tax	Profit for the year attributable to owners of parent	Foreign exchange rate
		Margin	Margin	Margin	
FYE2026	4,784,965	40,120	107,469	90,842	¥150/US\$
		(0.8)	(2.2)	(1.9)	
FYE2025	4,685,763	405,308	448,507	338,062	¥152/US\$
		(8.6)	(9.6)	(7.2)	
Change	99,202	(365,188)	(341,038)	(247,220)	
Percentage change	2.1	(90.1)	(76.0)	(73.1)	

Performance by segment

(In Japanese yen in million except for profit margin and percentage change from the previous year)

	Revenue				Segment Profit			
	FYE2025	FYE2026	Change	Percentage change	FYE2025	FYE2026	Change	Percentage change
Automobile	4,569,035	4,638,342	69,307	1.5	420,410	32,086	(388,324)	(92.4)
Aerospace	111,584	141,667	30,083	27.0	(19,642)	3,500	23,142	-
Other	5,144	4,956	(188)	(3.7)	3,687	3,616	(71)	(1.9)
Adjustments	-	-	-	-	853	918	65	7.6
Total	4,685,763	4,784,965	99,202	2.1	405,308	40,120	(365,188)	(90.1)

Notes: 1. Revenue is the revenue from external customers.

2. Adjustment to segment profit refers to the elimination of intersegment transactions.

3. Other segment includes real estate leasing business, etc.

(Automobile Division)

During the consolidated fiscal year, one of the domestic production lines was temporarily suspended due to construction work associated with in-house production of BEVs. As a result, domestic production decreased to 525,000 units, down 77,000 units (12.8%) compared with the previous consolidated fiscal year. Overseas production came to 355,000 units, increasing by 11,000 units (3.1%) year on year. This resulted in a decrease in combined domestic and overseas production of 66,000 units (7.0%) year on year to 880,000 units.

Domestic unit sales totaled 103,000, remaining broadly in line with the previous consolidated fiscal year, declining by 1,000 units (1.4%). Overseas unit sales decreased to 793,000 units, down 39,000 units (4.7%) compared with the previous consolidated fiscal year. This was despite solid sales of Forester, and was mainly due to the impact on shipments caused by a temporary shutdown of one production line at domestic plants, as well as delays in shipping to overseas markets caused by rising tensions in the Middle East.

As a result, combined domestic and overseas unit sales declined by 41,000 units (4.3%) year on year to 896,000 units.

Revenue increased by 69.3 billion yen (1.5%) year on year to 4,638.3 billion yen, primarily owing to efforts to improve price & mixture, which offset the negative impact on revenue of lower unit sales and foreign exchange rates. Operating Profit decreased to 32.1 billion yen, down 388.3 billion yen (92.4%) compared with the previous consolidated fiscal year, mainly due to the impact of additional U.S. tariffs, as well as the recognition of BEV-related expenses and expenses related to environmental regulatory credits and associated losses.

Consolidated Unit Sales in the fiscal year ended March 2026 (Units in thousands and percentage change from the previous year)

	FYE2025	FYE2026	Change	Percentage change
Total in Japan	104	103	(1)	(14)
Passenger cars	91	87	(4)	(43)
Minicars	13	16	2	188
Total Overseas	832	793	(39)	(47)
North America	732	708	(24)	(32)
Europe	23	23	(0)	(1)
Australia	44	31	(12)	(281)
China	3	2	(1)	(247)
Other regions	31	29	(3)	(83)
Total	936	896	(41)	(43)

(Aerospace Division)

In the commercial business, revenue rose 30.1 billion yen (27.0%) year on year to 141.7 billion yen owing primarily to increases in the number of center wing boxes delivered. Segment profit amounted to 3.5 billion yen, reflecting an increase in profit of 23.1 billion yen over the previous fiscal year.

(Other Businesses)

Revenue decreased by 0.2 billion yen (3.7%) to 5.0 billion yen on a year-on-year basis. Segment profit decreased by 0.1 billion yen (1.9%) to 3.6 billion yen from the previous fiscal year.

(2) Overview of financial position at the end of March 2026

(Assets)

Total assets increased by 404.1 billion yen from the end of the previous fiscal year to 5,492.3 billion yen at the end of March 2026. The key factors include: 1) an increase of 159.9 billion yen in property, plant and equipment due to capital investment and the like; 2) an increase of 134.0 billion yen in inventories reflecting an increase in inventories of new vehicles and the impact of foreign exchange and the like; 3) an increase of 63.9 billion yen in cash and cash equivalents due to exchange effects; 4) an increase of 62.5 billion yen in other non-current assets due to an increase in prepaid expenses on extended warranty in the Automobile Division and the like; and 5) a decrease of 141.8 billion yen in other financial assets (current assets) due to a decrease in foreign currency denominated time deposits and the like.

(Liabilities)

Total liabilities increased by 338.1 billion yen from the end of the previous fiscal year to 2,710.6 billion yen. The key factors include: 1) an increase of 115.9 billion yen in trade and other payables due mainly to an increase in accounts payable-trade and the effects of foreign exchange; 2) an increase of 102.7 billion yen in provisions (current and non-current liabilities) due mainly to an increase in provision for vehicle environmental control; and 3) an increase of 70.4 billion yen in other current liabilities due mainly to an increase in advances received and foreign exchange effects; and 4) an increase of 58.0 billion yen in other non-current liabilities owing to an increase in unearned revenue on extended warranty in the Automobile Division.

(Equity)

Total equity increased by 66.0 billion yen from the end of the previous fiscal year to 2,781.7 billion yen. The key factors include: 1) an increase of 105.2 billion yen in other components of equity resulting from the effects of foreign currency translation and valuation difference on available-for-sale securities; and 2) a decrease of 39.2 billion yen in retained earnings resulting from posting of profit for the year, payment of dividends, and cancellation of treasury stock.

(3) Overview of cash flow in the fiscal year ended March 2026

Cash and cash equivalents at the end of March 2026 totaled 1,005.3 billion yen.

(Net cash provided by (used in) operating activities)

Net cash provided by (used in) operating activities increased by 358.2 billion yen (previous fiscal year: an increase of 492.1 billion yen). Key factors include: 1) 107.5 billion yen in profit before tax; 2) depreciation and amortization of 271.1 billion yen; and 3) income taxes paid of 121.5 billion yen.

(Net cash provided by (used in) investing activities)

Net cash provided by (used in) investment activities decreased by 114.7 billion yen (previous fiscal year: a decrease of 404.1 billion yen). Key factors include: 1) expenditures totaling 230.1 billion yen as a result of purchase of property, plant and equipment (net amount of proceeds from sale); 2) a decrease of 214.3 billion yen in time deposits; and 3) 75.3 billion yen in purchase of intangible assets and expenditure on internally generated intangible assets.

(Net cash provided by (used in) financing activities)

Net cash provided by (used in) financing activities declined by 217.8 billion yen (previous fiscal year: a decrease of 187.3 billion yen). Key factors include: 1) dividends of 90.3 billion yen paid to owners of the parent; 2) 62.6 billion yen in repayments of lease liabilities; and 3) 50.0 billion yen for acquisition of treasury stocks.

(4) Forecast for the fiscal year ending March 2027

(Forecast for consolidated results for the fiscal year ending March 31, 2027)

In fiscal 2027, the business environment is expected to remain challenging, reflecting factors such as higher raw material costs, adverse precious metal market conditions, and the impact of the Middle East situation.

Under these circumstances, the SUBARU Group will position the fiscal year as a period to steadily translate the outcomes of initiatives based on the “SUBARU Management Policy 2025” into profit.

In addition to expanding the product lineup of ICE* /HEV models such as Forester and Crosstrek, as well as alliance BEVs, the Group will further enhance flexibility in mixed-model production, while strengthening adjustments to production and sales across markets. Through these efforts, the Group aims to maintain steady sales in the increasingly competitive U.S. market, while steadily expanding unit sales in global markets, including Japan and Canada. As a result, the consolidated forecast calls for revenue of 5,200.0 billion yen and operating profit of 150.0 billion yen. The assumed exchange rate for the full-year consolidated forecast is 155 yen to the US dollar (compared with 150 yen in the previous fiscal year).

*ICE: Internal Combustion Engine

(In Japanese yen in million except for profit margin and percentage change from the previous year)

	Revenue	Operating profit Margin	Profit before tax Margin	Profit for the year attributable to owners of parent Margin	Foreign exchange rate
FYE2027 (Forecast)	5,200,000	150,000 2.9	180,000 3.5	130,000 2.5	¥155/US\$
FYE2026	4,784,965	40,120 0.8	107,469 2.2	90,842 1.9	¥150/US\$
Change	415,035	109,880	72,531	39,158	
Percentage change	8.7	273.9	67.5	43.1	

2. Basic policy about the adoption of accounting standards

The Group has adopted International Financial Reporting Standards (IFRS) to the Group's consolidated financial statements from the first quarter of the fiscal year ended March 31, 2020, instead of the Japanese Generally Accepted Accounting Principles.

3. Consolidated financial statements and notes

(1) Consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	941,460	1,005,334
Trade and other receivables	411,723	476,322
Inventories	667,391	801,377
Income taxes receivable	17,633	62,645
Other financial assets	1,019,469	877,671
Other current assets	133,372	151,056
Subtotal	3,191,048	3,374,405
Assets held for sale	172	—
Total current assets	3,191,220	3,374,405
Non-current assets		
Property, plant and equipment	1,061,846	1,221,752
Intangible assets and goodwill	316,535	265,936
Investment property	21,742	22,839
Investments accounted for using equity method	5,410	5,617
Other financial assets	145,386	192,614
Other non-current assets	243,444	305,931
Deferred tax assets	102,663	103,207
Total non-current assets	1,897,026	2,117,896
Total assets	5,088,246	5,492,301

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	425,778	541,727
Financing liabilities	47,000	47,200
Other financial liabilities	56,747	85,286
Income taxes payable	51,829	7,649
Provisions	194,287	289,983
Other current liabilities	486,822	557,213
Total current liabilities	1,262,463	1,529,058
Non-current liabilities		
Financing liabilities	352,500	337,300
Other financial liabilities	105,263	123,139
Employee benefits	66,661	69,991
Provisions	184,038	191,041
Other non-current liabilities	401,473	459,439
Deferred tax liabilities	140	672
Total non-current liabilities	1,110,075	1,181,582
Total Liabilities	2,372,538	2,710,640
Equity		
Equity attributable to owners of parent		
Capital stock	153,795	153,795
Capital surplus	160,430	160,430
Treasury stock	(4,649)	(4,751)
Retained earnings	2,106,478	2,067,283
Other components of equity	298,463	403,650
Total equity attributable to owners of parent	2,714,517	2,780,407
Non-controlling interests	1,191	1,254
Total equity	2,715,708	2,781,661
Total liabilities and equity	5,088,246	5,492,301

(2) Consolidated statement of income and consolidated statement of comprehensive income**Consolidated statement of income**

(Unit: Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
Revenue	4,685,763	4,784,965
Cost of sales	(3,705,419)	(4,065,478)
Gross profit	980,344	719,487
Selling, general and administrative expenses	(420,738)	(373,610)
Research and development expenses	(142,448)	(169,424)
Other income	4,526	5,798
Other expenses	(16,386)	(142,297)
Share of profit (loss) of investments accounted for using equity method	10	166
Operating profit	405,308	40,120
Finance income	89,969	81,375
Finance costs	(46,770)	(14,026)
Profit before tax	448,507	107,469
Income tax expense	(110,355)	(16,564)
Profit for the year	338,152	90,905
Profit for the year attributable to		
Owners of parent	338,062	90,842
Non-controlling interests	90	63
Profit for the year	338,152	90,905
Profit for the year per share attributable to owners of parent		
Basic (yen)	458.03	125.50
Diluted (yen)	458.00	125.49

Consolidated statement of comprehensive income

(Unit: Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
Profit for the year	338,152	90,905
Other comprehensive income (after deduction of tax)		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(51)	10,105
Net changes in revaluation of capital financial assets measured at fair value through other comprehensive income	(33,248)	26,196
Share of other comprehensive income of investments accounted for using equity method	(207)	(114)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(19,250)	78,778
Net changes in revaluation of liability financial assets measured at fair value through other comprehensive income	3,845	(111)
Share of other comprehensive income of investments accounted for using equity method	206	294
Other comprehensive income (after deduction of tax) total	(48,705)	115,148
Comprehensive income	289,447	206,053
Comprehensive income attributable to		
Owners of parent	289,357	205,990
Non-controlling interests	90	63
Comprehensive income	289,447	206,053

(3) Consolidated statement of changes in equity
For the year ended March 31, 2025

(Unit: Millions of yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total capital
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity			
Balance at the beginning of the year	153,795	160,031	(4,616)	1,906,933	347,061	2,563,204	2,190	2,565,394
Comprehensive income								
Profit for the year	—	—	—	338,062	—	338,062	90	338,152
Other comprehensive income (after deduction of tax)	—	—	—	—	(48,705)	(48,705)	—	(48,705)
Comprehensive income total	—	—	—	338,062	(48,705)	289,357	90	289,447
Transfer to retained earnings	—	—	—	(107)	107	—	—	—
Transactions with owners								
Dividends paid	—	—	—	(78,736)	—	(78,736)	—	(78,736)
Purchase of treasury stock	—	—	(60,003)	—	—	(60,003)	—	(60,003)
Disposal of treasury stock	—	21	275	—	—	296	—	296
Cancellation of treasury stock	—	(59,695)	59,695	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	59,674	—	(59,674)	—	—	—	—
Changes in ownership interest in subsidiaries	—	399	—	—	—	399	(1,089)	(690)
Total transactions with owners	—	399	(33)	(138,410)	—	(138,044)	(1,089)	(139,133)
Balance at the end of the year	153,795	160,430	(4,649)	2,106,478	298,463	2,714,517	1,191	2,715,708

For the year ended March 31, 2026

(Unit: Millions of yen)

	Equity attributable to owners of parent					Total	Non-controlling interests	Total capital
	Capital stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity			
Balance at the beginning of the year	153,795	160,430	(4,649)	2,106,478	298,463	2,714,517	1,191	2,715,708
Comprehensive income								
Profit for the year	—	—	—	90,842	—	90,842	63	90,905
Other comprehensive income (after deduction of tax)	—	—	—	—	115,148	115,148	—	115,148
Comprehensive income total	—	—	—	90,842	115,148	205,990	63	206,053
Transfer to retained earnings	—	—	—	9,961	(9,961)	—	—	—
Transactions with owners								
Dividends paid	—	—	—	(90,387)	—	(90,387)	—	(90,387)
Purchase of treasury stock	—	—	(50,005)	—	—	(50,005)	—	(50,005)
Disposal of treasury stock	—	(46)	338	—	—	292	—	292
Cancellation of treasury stock	—	(49,565)	49,565	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	49,611	—	(49,611)	—	—	—	—
Changes in ownership interest in subsidiaries	—	—	—	—	—	—	—	—
Total transactions with owners	—	—	(102)	(139,998)	—	(140,100)	—	(140,100)
Balance at the end of the year	153,795	160,430	(4,751)	2,067,283	403,650	2,780,407	1,254	2,781,661

(4) Consolidated statement of cash flows

(Unit: Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
Net cash provided by (used in) operating activities		
Profit before tax	448,507	107,469
Depreciation and amortization	232,541	271,106
Impairment losses (reversals)	—	46,292
Share of loss (profit) of investments accounted for using equity method	(10)	(166)
Finance income	(89,969)	(81,375)
Finance costs	46,770	14,026
Decrease (increase) in trade and other receivables	(31,045)	(61,162)
Decrease (increase) in inventories	(92,481)	(103,628)
Increase (decrease) in trade and other payables	19,792	99,094
Increase (decrease) in provisions and employee benefits	45,934	98,522
Others	24,117	30,925
Subtotal	604,156	421,103
Interest received	59,296	58,760
Dividends received	6,483	6,682
Interest paid	(4,605)	(6,776)
Income taxes paid	(173,194)	(121,542)
Net cash provided by (used in) operating activities	492,136	358,227
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(124,308)	214,331
Purchase of property, plant and equipment	(170,861)	(234,366)
Proceeds from sale of property, plant and equipment	2,175	4,217
Purchase of intangible assets and expenditure on internally generated intangible assets	(94,427)	(75,338)
Purchase of securities	(161,061)	(125,323)
Proceeds from sale of securities	137,594	108,949
Payments of loans receivable	(179,664)	(181,486)
Collection of loans receivable	189,054	178,060
Others	(2,579)	(3,694)
Net cash provided by (used in) investing activities	(404,077)	(114,650)
Net cash provided by (used in) financing activities		
Repayments of long-term borrowings	(59,000)	(37,000)
Proceeds from long-term borrowings	59,000	45,500
Redemption of bonds	(10,000)	(23,500)
Proceeds from issuance of bonds	10,000	—
Repayments of lease liabilities	(47,929)	(62,577)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(690)	—
Purchase of treasury stock	(60,003)	(50,005)
Dividends paid to owners of parent	(78,642)	(90,290)
Others	(56)	56
Net cash provided by (used in) financing activities	(187,320)	(217,816)
Effect of exchange rate changes on cash and cash equivalents	(7,279)	38,113
Net increase (decrease) in cash and cash equivalents	(106,540)	63,874
Cash and cash equivalents at beginning of the year	1,048,000	941,460
Cash and cash equivalents at end of the year	941,460	1,005,334

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

For the year ended March 31, 2026

Not applicable

(Segment information)

Information on revenue, profit or loss, and other significant items by segment

Segment information by business type of the Company and its consolidated subsidiaries during for the years ended March 31, 2025 and 2026 are as follows.

For the year ended March 31, 2025

(Unit: Millions of yen)

	Automobile	Aerospace	Subtotal	Others	Adjustment	Consolidated
Revenue						
(1) Outside customers	4,569,035	111,584	4,680,619	5,144	—	4,685,763
(2) Inter-segment	2,124	—	2,124	24,420	(26,544)	—
Total revenue	4,571,159	111,584	4,682,743	29,564	(26,544)	4,685,763
Share of profit (loss) of investments accounted for using equity method	23	—	23	(13)	—	10
Operating profit (loss)	420,410	(19,642)	400,768	3,687	853	405,308
Finance income						89,969
Finance costs						(46,770)
Profit before tax						448,507

For the year ended March 31, 2026

(Unit: Millions of yen)

	Automobile	Aerospace	Subtotal	Others	Adjustment	Consolidated
Revenue						
(1) Outside customers	4,638,342	141,667	4,780,009	4,956	—	4,784,965
(2) Inter-segment	2,374	—	2,374	23,041	(25,415)	—
Total revenue	4,640,716	141,667	4,782,383	27,997	(25,415)	4,784,965
Share of profit (loss) of investments accounted for using equity method	196	—	196	(30)	—	166
Operating profit	32,086	3,500	35,586	3,616	918	40,120
Finance income						81,375
Finance costs						(14,026)
Profit before tax						107,469

Note: The method of calculating operating profit (loss) for each segment is consistent with the method of calculating operating profit (loss) in the consolidated statements of income, and does not include financial income, financial costs, and income tax expense. In addition, operating expenses that cannot be charged directly to each segment are allocated to each segment based on the most reasonable allocation criteria.

(Per share information)**(1) Basic earnings per share**

Basic earnings per share attributable to owners of the parent for the years ended March 31, 2025 and 2026 are calculated based on the following information.

	For the year ended March 31, 2025	For the year ended March 31, 2026
Profit for the year attributable to owners of the parent (millions of yen)	338,062	90,842
Weighted average number of common shares outstanding, basic (thousands of shares)	738,082	723,851
Profit for the year per share attributable to owners of parent, basic (yen)	458.03	125.50

(2) Diluted earnings per share

Diluted earnings per share attributable to owners of the parent for the years ended March 31, 2025 and 2026 are calculated based on the following information.

	For the year ended March 31, 2025	For the year ended March 31, 2026
Profit for the year attributable to owners of the parent, diluted (millions of yen)	338,062	90,842
Weighted average number of common shares outstanding, basic (thousands of shares)	738,082	723,851
Increase in number of common shares by issuing restricted stock (thousands of shares)	47	46
Weighted average number of common shares outstanding, diluted (thousands of shares)	738,130	723,897
Profit for the year per share attributable to owners of parent, diluted (yen)	458.00	125.49

(Significant subsequent event)

Acquisition and cancellation of the Company's treasury stock

The Company resolved, at a meeting of its Board of Directors held on May 15, 2026, the matters concerning the acquisition of treasury stock pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 and the matters concerning the cancellation of treasury stock in accordance with Article 178 of the Act.

1. Reason for conducting acquisition and cancellation of treasury stock

The company acquires and cancels its treasury stock for the purpose of improving efficiency of its capital structure.

2. Details of the share acquisition

- | | |
|---|---|
| (1) Type of stock to be acquired: | Company's common stock |
| (2) Total number of shares to be acquired: | 80 million shares (upper limit) |
| Ratio of total number of issued shares
(excluding treasury stock): | 11.2% |
| (3) Total share acquisition cost: | 150,000 million yen (upper limit) |
| (4) Acquisition period: | From May 18, 2026 to March 15, 2027 (Estimated) |
| (5) Acquisition method: | Purchase on Tokyo Stock Exchange |
- Market purchases based on a discretionary trading contract regarding acquisition of treasury stock.

3. Details of the share cancellation

- | | |
|---|---|
| (1) Type of stock to be cancelled: | Company's common stock |
| (2) Total number of shares to be cancelled: | 80 million shares
(All treasury stock acquired pursuant to 2. above) |
| (3) Scheduled date of the cancellation: | March 23, 2027 |

4. Non-consolidated financial statements

(1) Non-consolidated balance sheet

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
ASSETS		
I Current assets		
Cash and deposits	1,427,544	1,254,762
Accounts receivable-trade	301,605	322,667
Securities	19,987	29,978
Merchandise and finished goods	59,896	91,719
Work in process	75,628	88,492
Raw materials and supplies	75,418	94,374
Advance payments-trade	51,974	65,839
Prepaid expenses	8,823	9,315
Short-term loans receivable to subsidiaries and affiliates	55,835	55,943
Current portion of long-term loans receivable from subsidiaries and affiliates	9,000	14,000
Deposits paid	26,506	27,745
Accounts receivable-other	53,639	91,385
Other	55,513	58,490
Total current assets	2,221,368	2,204,709
II Non-current assets		
1. Property, plant and equipment		
Buildings, net	181,334	183,752
Structures, net	22,323	23,989
Machinery and equipment, net	126,208	164,241
Vehicles, net	3,890	4,261
Tools, furniture and fixtures, net	12,220	16,151
Land	83,028	91,373
Construction in progress	61,016	80,459
Other, net	13,017	14,474
Total property, plant and equipment	503,036	578,700
2. Intangible assets		
Software	43,017	44,125
Other	76,943	43,777
Total intangible assets	119,960	87,902
3. Investments and other assets		
Investment securities	8,692	13,088
Stocks of subsidiaries and affiliates	263,951	288,653
Investments in capital of subsidiaries and affiliates	8,723	8,541
Long-term loans receivable	2	1
Long-term loans receivable from subsidiaries and affiliates	49,500	51,500
Claims provable in bankruptcy, claims provable in rehabilitation and other	0	0
Prepaid pension costs	3,192	4,037
Deferred tax assets	101,340	117,417
Other	10,296	36,372
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	445,691	519,604
Total non-current assets	1,068,687	1,186,206
Total assets	3,290,055	3,390,915

(Unit: Millions of yen)

	As of March 31, 2025	As of March 31, 2026
LIABILITIES		
I Current liabilities		
Notes payable-trade	316	—
Accounts payable-trade	260,430	287,571
Electronically recorded obligations-operating	37,323	30,925
Current portion of long-term loans payable	37,000	40,500
Current portion of bonds payable	10,000	6,700
Lease obligations	3,199	3,419
Accounts payable-other	40,322	22,826
Accrued expenses	77,960	77,231
Income taxes payable	30,201	—
Advances received	45,432	70,187
Deposits received	500,907	646,038
Provision for bonuses	22,206	19,478
Provision for product warranties	92,864	123,759
Provision for vehicle environmental control	14,424	83,743
Provision for loss on construction contracts	22,629	17,543
Provision for environmental measures	17	—
Other	11,826	40,061
Total current liabilities	1,207,056	1,469,981
II Non-current liabilities		
Bonds payable	93,000	72,800
Long-term loans payable	259,500	264,500
Lease obligations	9,314	10,326
Provision for product warranties	123,426	145,947
Provision for vehicle environmental control	45,206	24,519
Asset retirement obligations	16	16
Other	1,841	24,208
Total non-current liabilities	532,303	542,316
Total liabilities	1,739,359	2,012,297
NET ASSETS		
I Shareholders' equity		
Capital stock	153,795	153,795
Capital surplus		
Legal capital surplus	160,071	160,071
Total capital surplus	160,071	160,071
Retained earnings		
Legal retained earnings	7,901	7,901
Other retained earnings		
Reserve for reduction entry of land	1,341	1,323
General reserve	35,335	35,335
Retained earnings brought forward	1,160,467	969,131
Total retained earnings	1,205,044	1,013,690
Treasury stock	(4,649)	(4,751)
Total shareholders' equity	1,514,261	1,322,805
II Valuation and translation adjustments		
Valuation difference on available-for-sale securities	36,435	55,813
Total valuation and translation adjustments	36,435	55,813
Total net assets	1,550,696	1,378,618
Total liabilities and net assets	3,290,055	3,390,915

(2) Non-consolidated statement of income

(Unit: Millions of yen)

	For the year ended March 31, 2025	For the year ended March 31, 2026
I Net sales	2,726,000	2,495,303
II Cost of sales	2,125,648	2,216,254
Gross profit	600,352	279,049
III Selling, general and administrative expenses	321,266	277,598
Operating income	279,086	1,451
IV Non-operating income		
Interest income	51,753	43,063
Interest on securities	25	255
Dividends income	113,603	16,032
Foreign exchange income	—	20,609
Real estate rent	2,616	2,640
Gain on valuation of derivatives	14,384	—
Other	5,133	6,350
Total non-operating income	187,514	88,949
V Non-operating expenses		
Interest expenses	30,744	27,540
Depreciation	4,631	5,381
Foreign exchange losses	32,706	—
Loss on valuation of derivatives	—	6,937
Other	11,811	10,862
Total non-operating expenses	79,892	50,720
Ordinary income	386,708	39,680
VI Extraordinary income		
Gain on extinguishment of tie-in shares	2,821	—
Gain on sale of non-current assets	97	97
Gain on sale of investment securities	9	—
National subsidies	12	343
Total extraordinary income	2,939	440
VII Extraordinary loss		
Loss on sale and retirement of non-current assets	6,828	7,425
Loss on tax purpose reduction entry of non-current assets	12	343
Loss on sale of shares of subsidiaries and associates	2,319	—
Loss on U.S. vehicle environmental controls	—	106,268
Other	33	40
Total extraordinary losses	9,192	114,076
Income (loss) before income taxes	380,455	(73,956)
Total income taxes	55,440	(22,600)
Income tax-current	70,299	2,346
Income taxes-deferred	(14,859)	(24,946)
Net income (loss)	325,015	(51,356)

(3) Non-consolidated statement of changes in net assets

For the year ended March 31, 2025

(Unit: Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Retained earnings brought forward	Total retained earnings
Provision of reserve for tax purpose reduction entry of land	General reserve								
Balance at the beginning of the year	153,795	160,071	—	160,071	7,901	1,341	35,335	973,862	1,018,439
Changes of items during the year									
Reversal of reserve for tax purpose reduction entry of land	—	—	—	—	—	—	—	—	—
Dividends from surplus	—	—	—	—	—	—	—	(78,736)	(78,736)
Net income (loss)	—	—	—	—	—	—	—	325,015	325,015
Purchase of treasury stock	—	—	—	—	—	—	—	—	—
Disposal of treasury stock	—	—	21	21	—	—	—	—	—
Cancellation of treasury stock	—	—	(59,695)	(59,695)	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	59,674	59,674	—	—	—	(59,674)	(59,674)
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—	—	—
Total changes of items during the year	—	—	—	—	—	—	—	186,605	186,605
Balance at the end of the year	153,795	160,071	—	160,071	7,901	1,341	35,335	1,160,467	1,205,044

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the year	(4,616)	1,327,689	72,706	72,706	1,400,395
Changes of items during the year					
Reversal of reserve for tax purpose reduction entry of land	—	—	—	—	—
Dividends from surplus	—	(78,736)	—	—	(78,736)
Net income (loss)	—	325,015	—	—	325,015
Purchase of treasury stock	(60,003)	(60,003)	—	—	(60,003)
Disposal of treasury stock	275	296	—	—	296
Cancellation of treasury stock	59,695	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	(36,271)	(36,271)	(36,271)
Total changes of items during the year	(33)	186,572	(36,271)	(36,271)	150,301
Balance at the end of the year	(4,649)	1,514,261	36,435	36,435	1,550,696

For the year ended March 31, 2026

(Unit: Millions of yen)

	Shareholders' equity								
	Capital stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings
					Provision of reserve for tax purpose reduction entry of land	General reserve	Retained earnings brought forward		
Balance at the beginning of the year	153,795	160,071	—	160,071	7,901	1,341	35,335	1,160,467	1,205,044
Changes of items during the year									
Reversal of reserve for tax purpose reduction entry of land	—	—	—	—	—	(18)	—	18	—
Dividends from surplus	—	—	—	—	—	—	—	(90,387)	(90,387)
Net income (loss)	—	—	—	—	—	—	—	(51,356)	(51,356)
Purchase of treasury stock	—	—	—	—	—	—	—	—	—
Disposal of treasury stock	—	—	(46)	(46)	—	—	—	—	—
Cancellation of treasury stock	—	—	(49,565)	(49,565)	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	49,611	49,611	—	—	—	(49,611)	(49,611)
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—	—	—
Total changes of items during the year	—	—	—	—	—	(18)	—	(191,336)	(191,354)
Balance at the end of the year	153,795	160,071	—	160,071	7,901	1,323	35,335	969,131	1,013,690

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of the year	(4,649)	1,514,261	36,435	36,435	1,550,696
Changes of items during the year					
Reversal of reserve for tax purpose reduction entry of land	—	—	—	—	—
Dividends from surplus	—	(90,387)	—	—	(90,387)
Net income (loss)	—	(51,356)	—	—	(51,356)
Purchase of treasury stock	(50,005)	(50,005)	—	—	(50,005)
Disposal of treasury stock	338	292	—	—	292
Cancellation of treasury stock	49,565	—	—	—	—
Transfer to capital surplus from retained earnings	—	—	—	—	—
Net changes of items other than shareholders' equity	—	—	19,378	19,378	19,378
Total changes of items during the year	(102)	(191,456)	19,378	19,378	(172,078)
Balance at the end of the year	(4,751)	1,322,805	55,813	55,813	1,378,618