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Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2025 (under IFRS)

February 5, 2025

Company name: **F.C.C. CO., LTD.**
Listing: Tokyo Stock Exchange
Securities code: 7296
URL: <https://www.fcc-net.co.jp/>
Representative: Yoshitaka Saito, President and Representative Director
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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Millions of yen with fractional amounts rounded, unless otherwise noted)

1. Consolidated financial results for the Third quarter of the fiscal year ending March 31, 2025 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Total comprehensive income	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	189,754	6.9	15,700	31.4	18,189	23.4	13,264	24.6	13,223	26.7	16,968	(4.3)
December 31, 2023	177,508	9.3	11,944	73.6	14,736	76.5	10,648	85.8	10,434	88.4	17,739	93.1

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	268.84	—
December 31, 2023	209.78	—

(2) Consolidated financial position

	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
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
December 31, 2024	250,391	192,593	191,328	76.4	3,957.10
March 31, 2024	245,004	186,602	185,322	75.6	3,725.39

2. Cash dividends

	Annual cash 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, 2024	—	30.00	—	44.00	74.00
Fiscal year ending March 31, 2025	—	101.00			
Fiscal year ending March 31, 2025 (Forecast)			—	101.00	202.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Breakdown of dividends at the end of the second quarter of the fiscal year ending March 31, 2025 Ordinary dividend 38.0 yen Commemorative dividend 63.0 yen

Breakdown of year-end dividend for the fiscal year ending March 31, 2025 (forecast) Ordinary dividend 38.0 yen Commemorative dividend 63.0 yen

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before income taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	243,000	1.1	16,500	9.3	18,000	(6.1)	12,900	3.6	12,800	4.6	261.32

Note: Revisions to the consolidated earnings forecast most recently announced: Yes

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
 Newly included: None
 Excluded: None

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

- a. Changes in accounting policies required by IFRS: None
 b. Changes in accounting policies other than the above: None
 c. Changes in accounting estimates: None

- (3) Number of shares issued (ordinary shares)

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

As of December 31, 2024	52,056,530 shares
As of March 31, 2024	52,644,030 shares

- b. Number of treasury shares at the end of the period

As of December 31, 2024	3,705,804 shares
As of March 31, 2024	2,898,297 shares

- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the nine months ended December 31, 2024	49,188,470 shares
For the nine months ended December 31, 2023	49,738,583 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

Caution regarding forward-looking statements

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company's commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

How to obtain supplementary results briefing material on consolidated financial results

Supplementary material on financial results is attached to this consolidated financial results for the third quarter.

Condensed quarterly consolidated financial statements

(1) Condensed quarterly consolidated statement of financial position

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	82,028	72,059
Trade and other receivables	40,198	39,107
Other financial assets	4,181	13,508
Inventories	32,809	34,937
Other current assets	3,615	5,301
Total current assets	162,833	164,915
Non-current assets		
Property, plant and equipment	57,234	61,196
Goodwill and intangible assets	2,946	2,557
Investments accounted for using the equity method	127	126
Other financial assets	18,554	18,254
Deferred tax assets	2,768	2,784
Other non-current assets	540	556
Total non-current assets	82,171	85,476
Total assets	245,004	250,391

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	20,184	21,150
Borrowings	6,100	3,000
Other financial liabilities	458	420
Income taxes payable	1,981	1,966
Provisions	8,380	10,700
Other current liabilities	9,079	8,208
Total current liabilities	46,183	45,447
Non-current liabilities		
Other financial liabilities	1,100	970
Defined benefit liability	1,135	1,396
Provisions	14	14
Deferred tax liabilities	9,442	8,940
Other non-current liabilities	525	1,028
Total non-current liabilities	12,218	12,351
Total liabilities	58,402	57,798
Equity		
Issued capital	4,175	4,175
Retained earnings	149,324	154,395
Treasury shares	(4,694)	(7,459)
Other components of equity	36,515	40,216
Total equity attributable to owners of parent	185,322	191,328
Non-controlling interests	1,280	1,264
Total equity	186,602	192,593
Total liabilities and equity	245,004	250,391

(2) Condensed quarterly consolidated statement of income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenue	177,508	189,754
Cost of sales	(146,862)	(154,467)
Gross profit	30,646	35,286
Selling, general and administrative expenses	(18,963)	(19,916)
Other income	497	658
Other expense	(235)	(327)
Operating profit	11,944	15,700
Finance income	2,811	2,704
Finance costs	(16)	(213)
Share of profit (loss) of investments accounted for using equity method	(2)	(2)
Profit before income taxes	14,736	18,189
Income tax expense	(4,088)	(4,925)
Profit	10,648	13,264
Profit attributable to		
Owners of parent	10,434	13,223
Non-controlling interests	214	40
Profit	10,648	13,264
Earnings per share		
Basic earnings per share (Yen)	209.78	268.84
Diluted earnings per share (Yen)	—	—

(3) Condensed quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	10,648	13,264
Other comprehensive income		
Components that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	11	5
Changes in the fair value of financial assets measured at fair value through other comprehensive income	1,480	(1,278)
Total	1,492	(1,273)
Components that may be reclassified to profit or loss		
Exchange differences of foreign operations	5,605	4,980
Share of other comprehensive income of associates accounted for using equity method	(7)	(3)
Total	5,597	4,977
Total other comprehensive income	7,090	3,703
Comprehensive income	17,739	16,968
Comprehensive income attributable to		
Owners of parent	17,388	16,929
Non-controlling interests	350	39
Comprehensive income	17,739	16,968

(4) Condensed quarterly consolidated statement of changes in equity
Nine months ended December 31, 2023

	Equity attributable to owners of parent					
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences of foreign operations	Changes in the fair value of financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2023	4,175	—	139,639	(4,723)	16,180	4,782
Profit	—	—	10,434	—	—	—
Other comprehensive income	—	—	—	—	5,475	1,468
Total comprehensive income	—	—	10,434	—	5,475	1,468
Purchase of treasury shares	—	—	—	(0)	—	—
Disposal of treasury shares	—	3	—	29	—	—
Cancellation of treasury shares	—	—	—	—	—	—
Dividends	—	—	(2,984)	—	—	—
Increase (decrease) through changes in interests	—	(163)	—	—	—	—
Transfer from retained earnings to capital surplus	—	160	(160)	—	—	—
Transfer from other components of equity	—	—	11	—	—	—
Total transactions with the owners	—	—	(3,133)	29	—	—
Balance as of December 31, 2023	4,175	—	146,939	(4,694)	21,656	6,250

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Remeasurements of defined benefit plans	Total			
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2023	—	20,963	160,055	2,069	162,124
Profit	—	—	10,434	214	10,648
Other comprehensive income	11	6,954	6,954	135	7,090
Total comprehensive income	11	6,954	17,388	350	17,739
Purchase of treasury shares	—	—	(0)	—	(0)
Disposal of treasury shares	—	—	32	—	32
Cancellation of treasury shares	—	—	—	—	—
Dividends	—	—	(2,984)	(55)	(3,039)
Increase (decrease) through changes in interests	—	—	(163)	(1,130)	(1,293)
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity	(11)	(11)	—	—	—
Total transactions with the owners	(11)	(11)	(3,115)	(1,185)	(4,300)
Balance as of December 31, 2023	—	27,906	174,328	1,234	175,562

Nine months ended December 31, 2024

	Equity attributable to owners of parent					
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Exchange differences of foreign operations	Changes in the fair value of financial assets measured at fair value through other comprehensive income
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2024	4,175	—	149,324	(4,694)	28,280	8,235
Profit	—	—	13,223	—	—	—
Other comprehensive income	—	—	—	—	4,968	(1,268)
Total comprehensive income	—	—	13,223	—	4,968	(1,268)
Purchase of treasury shares	—	—	—	(3,799)	—	—
Disposal of treasury shares	—	7	—	24	—	—
Cancellation of treasury shares	—	(1,010)	—	1,010	—	—
Dividends	—	—	(7,155)	—	—	—
Increase (decrease) through changes in interests	—	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	1,002	(1,002)	—	—	—
Transfer from other components of equity	—	—	5	—	—	—
Total transactions with the owners	—	—	(8,152)	(2,764)	—	—
Balance as of December 31, 2024	4,175	—	154,395	(7,459)	33,248	6,967

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Remeasurements of defined benefit plans	Total			
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Balance as of April 1, 2024	—	36,515	185,322	1,280	186,602
Profit	—	—	13,223	40	13,264
Other comprehensive income	5	3,705	3,705	(1)	3,703
Total comprehensive income	5	3,705	16,929	39	16,968
Purchase of treasury shares	—	—	(3,799)	—	(3,799)
Disposal of treasury shares	—	—	32	—	32
Cancellation of treasury shares	—	—	—	—	—
Dividends	—	—	(7,155)	(54)	(7,210)
Increase (decrease) through changes in interests	—	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Transfer from other components of equity	(5)	(5)	—	—	—
Total transactions with the owners	(5)	(5)	(10,922)	(54)	(10,977)
Balance as of December 31, 2024	—	40,216	191,328	1,264	192,593

(5) Condensed quarterly consolidated statement of cash flows

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from (used in) operating activities		
Profit before income taxes	14,736	18,189
Depreciation and amortization expense	9,807	9,182
Finance income and finance costs	(2,346)	(2,531)
Share of loss (profit) in investments accounted for using the equity method	2	2
Loss (gain) on sales and retirement of non-current assets	17	(63)
Decrease (Increase) in inventories	1,663	(1,304)
Decrease (Increase) in trade and other receivables	5,522	1,952
Increase (decrease) in trade and other payables	(405)	(262)
Increase (decrease) in defined benefit liability	(201)	192
Increase (decrease) in provisions	2,791	2,320
Other	(1,127)	(1,119)
Subtotal	30,459	26,557
Interest and dividend income received	1,442	2,606
Interest expenses paid	(12)	(17)
Income taxes paid	(5,435)	(6,144)
Income taxes refund and interest on refund received	17	4
Net cash flows from (used in) operating activities	26,471	23,005
Cash flows from (used in) investing activities		
Payments into time deposits	(3,525)	(13,125)
Proceeds from withdrawal of time deposits	4,365	2,875
Purchase of property, plant and equipment	(6,100)	(10,867)
Proceeds from sales of property, plant and equipment	90	172
Purchase of intangible assets	(416)	(294)
Payments of loans receivable	(53)	(56)
Collection of loans receivable	132	64
Purchase of investments	(354)	(316)
Proceeds from sale and redemption of investments	36	—
Other	(83)	(70)
Net cash flows from (used in) investing activities	(5,908)	(21,617)
Cash flows from (used in) financing activities		
Net increase (decrease) in short-term borrowings	—	(3,100)
Repayments of lease liabilities	(361)	(413)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(1,292)	—
Purchase of treasury shares	(0)	(3,799)
Cash dividends paid	(2,981)	(7,145)
Cash dividends paid to non-controlling shareholders	(55)	(54)
Net cash flows from (used in) financing activities	(4,690)	(14,513)
Net increase (decrease) in cash and cash equivalents	15,872	(13,126)
Cash and cash equivalents at beginning of period	53,738	82,028
Effect of exchange rate change on cash and cash equivalents	1,940	3,156
Cash and cash equivalents at end of period	71,551	72,059

(Segment information)**(1) Overview of reportable segments**

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are regularly reviewed by the Board of Directors to make decisions about managerial resources to be allocated to the segments and assess their performances. In the Group, the Head of business operation of motorcycles business and the Head of business operation of automobiles business develop domestic and overseas comprehensive strategies and build operations in the motorcycle business and the automobile business, respectively. The Head of business strategy performs the same role for the non-mobility business. Thus the Group has three reportable segments: the "motorcycles business," the "automobiles business," and the "non-mobility business." The motorcycles business manufactures clutches for motorcycles, scooters and ATVs and other products, while developing new businesses in the EV/CASE area. The automobile business manufactures clutches for manual and automatic transmission automobiles and other products, while developing new businesses in the EV/CASE area. The non-mobilities business develops new businesses, primarily in the environmental and energy sectors.

(2) Revenue and performance for reportable segments

Nine months ended December 31, 2023

	Reportable segments				Consolidated
	Motorcycles business	Automobiles business	Non-mobility business	Total	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Revenue					
External revenue	79,254	98,242	11	177,508	177,508
Intersegment revenue	—	—	—	—	—
Total	79,254	98,242	11	177,508	177,508
Depreciation and amortization expense	(3,977)	(5,728)	(100)	(9,807)	(9,807)
Other profit (loss)	(68,077)	(85,757)	(1,921)	(155,756)	(155,756)
Operating profit (loss)	7,200	6,755	(2,010)	11,944	11,944
Finance income					2,811
Finance costs					(16)
Share of profit (loss) in investments accounted for using the equity method					(2)
Profit before income taxes					14,736

Nine months ended December 31, 2024

	Reportable segments				Consolidated
	Motorcycles business	Automobiles business	Non-mobility business	Total	
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Revenue					
External revenue	89,551	100,141	61	189,754	189,754
Intersegment revenue	—	—	—	—	—
Total	89,551	100,141	61	189,754	189,754
Depreciation and amortization expense	(3,939)	(5,157)	(85)	(9,182)	(9,182)
Other profit (loss)	(75,209)	(87,466)	(2,195)	(164,871)	(164,871)
Operating profit (loss)	10,402	7,518	(2,219)	15,700	15,700
Finance income					2,704
Finance costs					(213)
Share of profit (loss) in investments accounted for using the equity method					(2)
Profit before income taxes					18,189

(References)

Summary of FY2025 Third Quarter Financial Results <Consolidated>

February 5, 2025

F.C.C. CO., LTD.

(Millions of yen)

	Fiscal Year Ended March 2024 3rd Quarter Result (Apr.2023-Dec.2023)	Fiscal Year Ended March 2025 3rd Quarter Result (Apr.2024-Dec.2024)	Fiscal Year Ended March 2024 Result (Apr.2023-Mar.2024)	Fiscal Year Ending March 2025 Forecast [Feb.5,2025] (Apr.2024-Mar.2025)	Fiscal Year Ending March 2025 Previous Forecast [Nov 1,2024] (Apr.2024-Mar.2025)
Revenue	177,508	189,754	240,283	243,000	243,000
Operating profit 〈Margin〉	11,944 6.7%	15,700 8.3%	15,102 6.3%	16,500 6.8%	16,000 6.6%
Profit before income taxes 〈Margin〉	14,736 8.3%	18,189 9.6%	19,169 8.0%	18,000 7.4%	17,000 7.0%
Profit attributable to owners of parent 〈Margin〉	10,434 5.9%	13,223 7.0%	12,231 5.1%	12,800 5.3%	12,400 5.1%
FX (Average exchange rate)					
USD	¥143.30	¥152.57	¥144.63	¥149.43	¥146.32
MXN	¥8.23	¥8.18	¥8.36	¥8.14	¥8.25
THB	¥4.09	¥4.34	¥4.11	¥4.24	¥4.10
IDR	¥0.0094	¥0.0096	¥0.0094	¥0.0094	¥0.0093
INR	¥1.73	¥1.82	¥1.75	¥1.78	¥1.75
CNY	¥19.98	¥21.16	¥20.15	¥20.70	¥20.23
BRL	¥29.08	¥27.66	¥29.32	¥27.92	¥28.56
NTD	¥4.56	¥4.72	¥4.60	¥4.63	¥4.54
PHP	¥2.57	¥2.64	¥2.59	¥2.61	¥2.58
VND	¥0.00598	¥0.00607	¥0.00600	¥0.00599	¥0.00592
Capital Expenditures	6,283	11,346	8,273	18,240	18,450
Depreciation	9,413	8,768	12,359	11,660	11,660
R&D	5,758	6,453	8,013	9,400	9,500

Analysis of Operating Profit Variance (YoY)		Fiscal Year Ended March 2025 3rd Quarter Result (Apr.2024-Dec.2024)		Fiscal Year Ending March 2025 Forecast [Feb.5,2025] (Apr.2024-Mar.2025)	Fiscal Year Ending March 2025 Previous Forecast [Nov 1,2024] (Apr.2024-Mar.2025)
Revenue, model mix		+2,231		(110)	+690
Depreciation		+965		+870	+720
R&D Expenses		(695)		(1,390)	(1,490)
SGA*		+110		+1,100	+520
Foreign Exchange rates		+1,077		+570	+30
Others		+68		+358	+428
Total		+3,756		+1,398	+897

* Includes product warranty (quality related) expenses.

Caution regarding forward-looking statements

The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company and are not intended as the Company's commitment to achieve such forecasts.

Actual business and other results may differ significantly from these forecasts due to a wide range of factors.