FY2025 Financial Results Briefing

(April 1, 2024 through March 31 , 2025)

URL: https://www.fcc-net.co.jp/

TSE Prime Stock Code :7296

May 19, 2025

Consolidated Results Outline for FY25

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Executive Summary Consolidated Results Outline for FY25

FY25 Results

(Fiscal year ended March 31,2025)

(million yen)

	FY24	FY25	Change (%)
Revenue	240,283	256,619	6.8%
Operating profit	15,102	17,329	14.7%
Operating profit ratio	6.3%	6.8%	
Profit attributable to owners of parent	12,231	15,859	29.7%
Exchange rate (USD)	144.63	152.58	7.95

Key Points of FY25

- Exchange rate impact (Sales and profits increased even excluding the impact of exchange rates)
  - ・Revenue : +8 billion yen (Motorcycle business : +2.5 billion yen, Automobile business : +5.5 billion yen)
  - ・Operating profit : +1.2 billion yen
- Motorcycle clutch business: India leads the strong performance
- Automobile clutch business: Sales in China declined, however maintaining a profitable business structure, mainly in the U.S.
- Some new businesses (EV/CASE, Non-mobility) have moved into the mass production phase
- Additional product warranty costs
  - ・Automobile (U.S.) : Customer-initiated warranty period extension
  - ・Motorcycle (ASEAN) : New case arise
  - →Product quality strengthened as a key management issue

FY26 Forecast

- We plan to disclose the impact of U.S. tariffs as soon as it becomes possible to make a reasonable calculation.
  ※This presentation material includes business perceptions excluding the tariff impacts

Shareholder returns results and forecasts

- FY25 Total shareholder return ratio 78%
  Annual Dividend 202 yen (ordinary dividend of 76 yen, commemorative dividend of 126 yen)
  Acquisition of treasury shares : 2.5 billion yen
- FY25 forecast : Target dividend payout ratio: 50%
  Aim for a total shareholder return ratio of 70% or more

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Consolidated Results for FY25

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Consolidated Results Outline for FY25

Revenue and income increased, because of increased sales in India and Indonesia, and the weakened JPY with revenue and operating profit reaching a record level

(million yen)

	FY24 Results	FY25 Results	Change (amount)	Change (%)
Revenue	240,283	256,619	16,335	6.8%
Operating profit	15,102	17,329	2,227	14.7%
Profit before income taxes	19,169	20,052	882	4.6%
Profit	12,456	15,903	3,447	27.7%
Profit attributable to owners of parent	12,231	15,859	3,627	29.7%
Basic earnings per share (Yen)	245.91	323.77	77.86	31.7%

Average exchange rate	FY24 Result	FY25 Result	Change
USD	¥144.63	¥152.58	¥7.95

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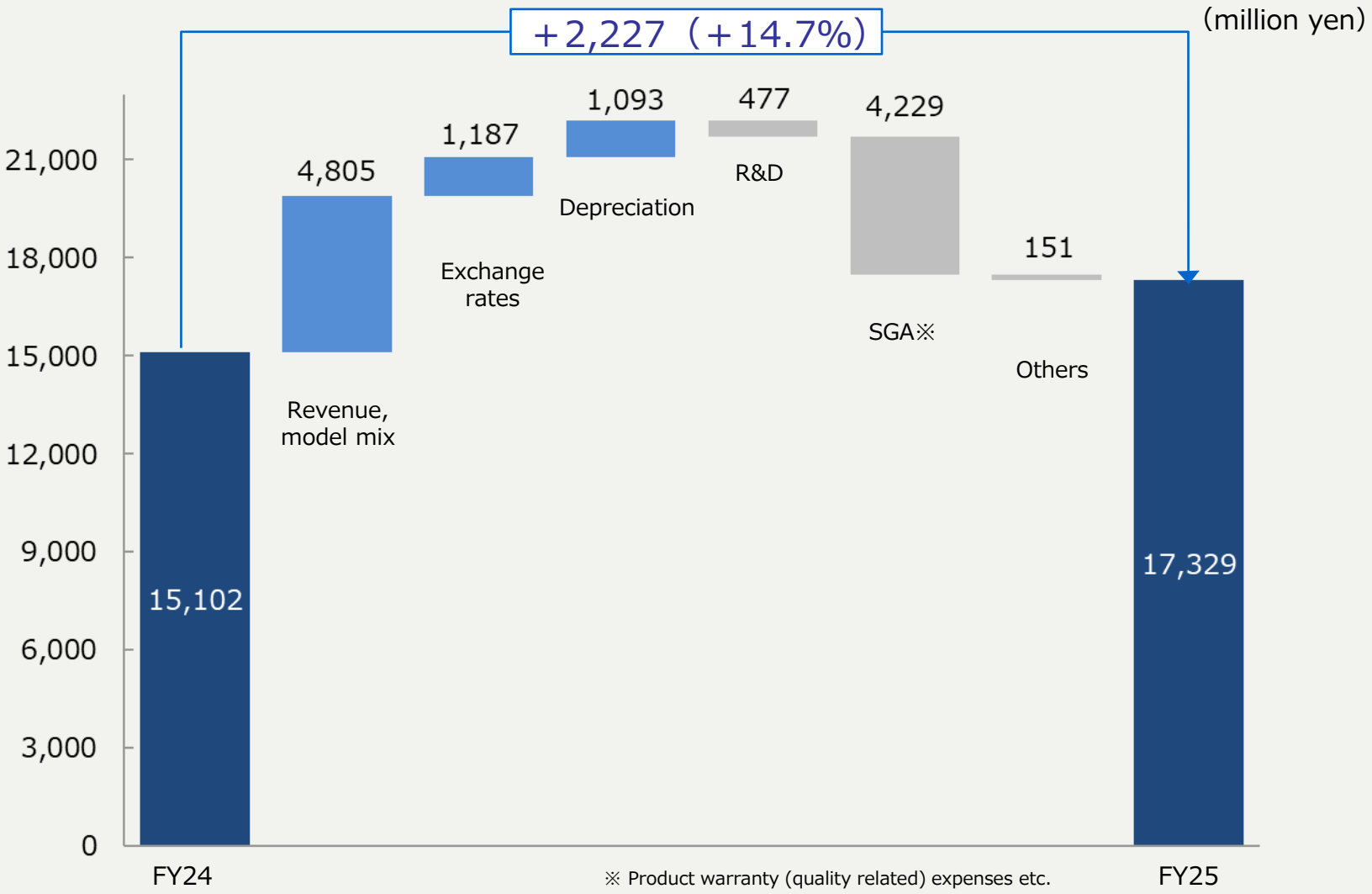
FY25 Fluctuations for Operating Profit

Positive factors : Revenue, model mix…India and Indonesia
Negative factors : Increasing SGA…Includes an increase of 2.9 billion yen in product warranty costs



※ Product warranty (quality related) expenses etc.

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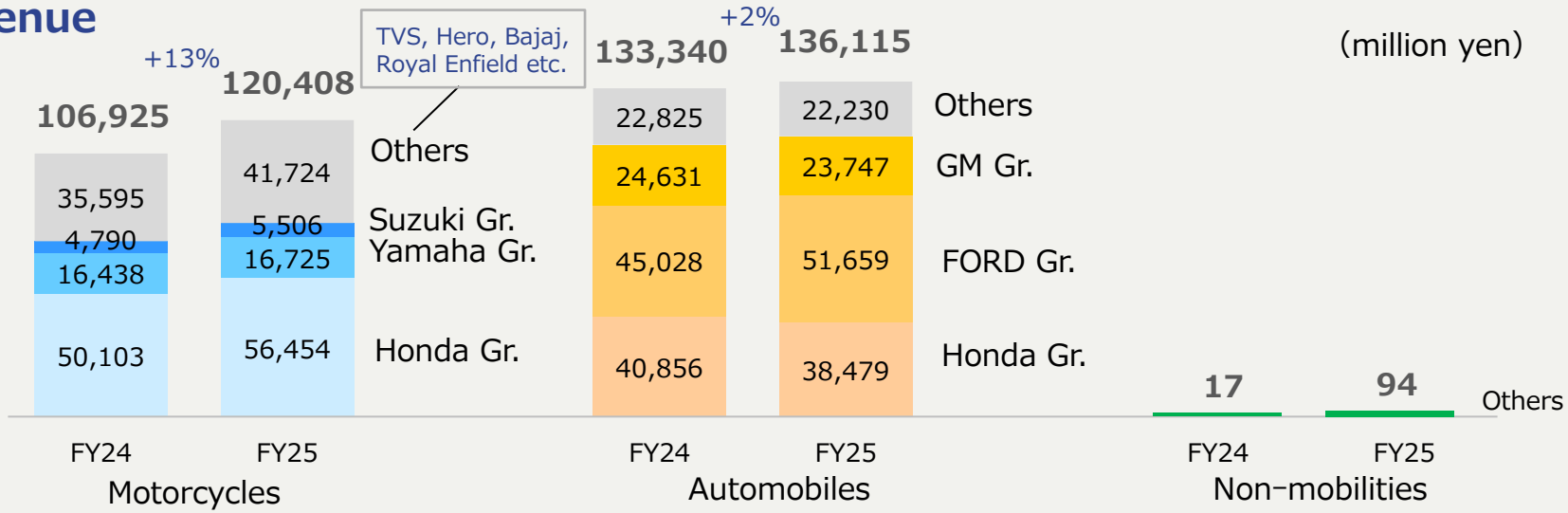
Revenue/Operating Profit by Business Segment

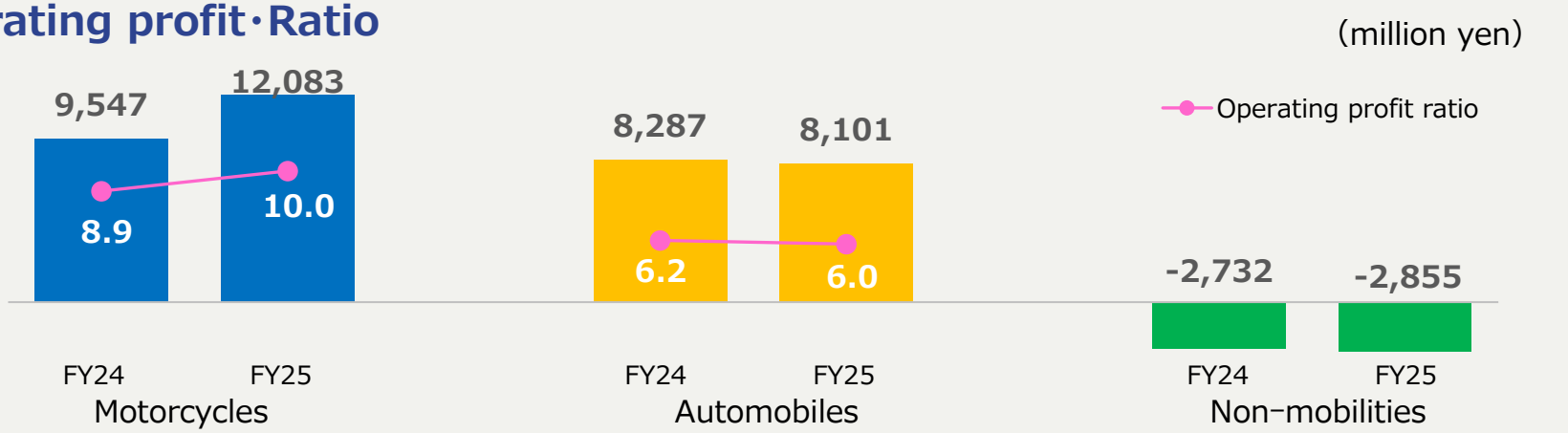
Motorcycle business : Increased sales in India, especially local Indian manufacturers. Revenue and profit increased.

Automobile business : Decreased sales in China and U.S. were covered by impact of the weakened yen. Profits decreased due to the recording of product warranty costs.

Revenue



Operating profit・Ratio



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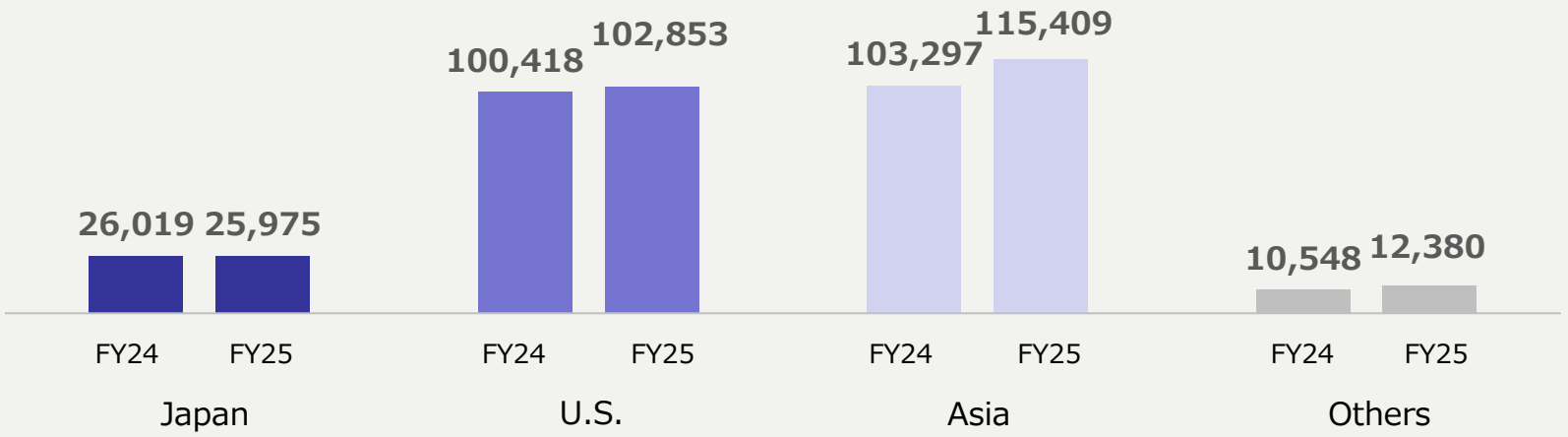
Revenue/Operating Profit by Geographical Segment

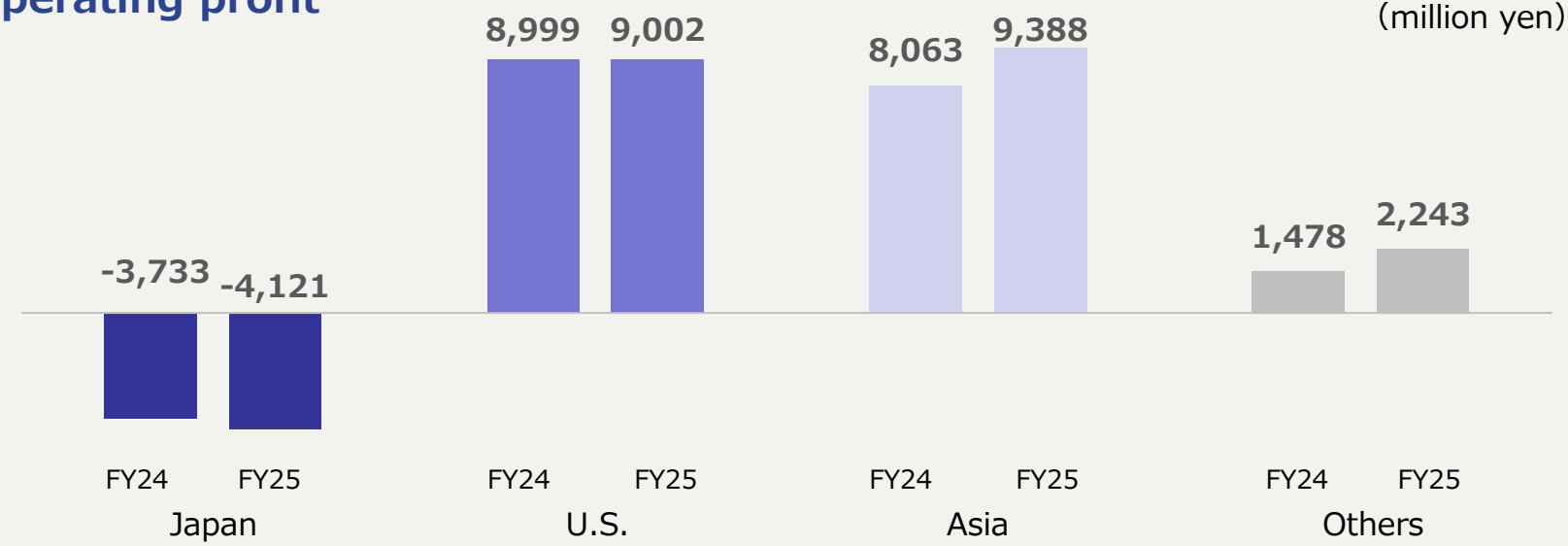
Revenue

(million yen)



Operating profit

(million yen)



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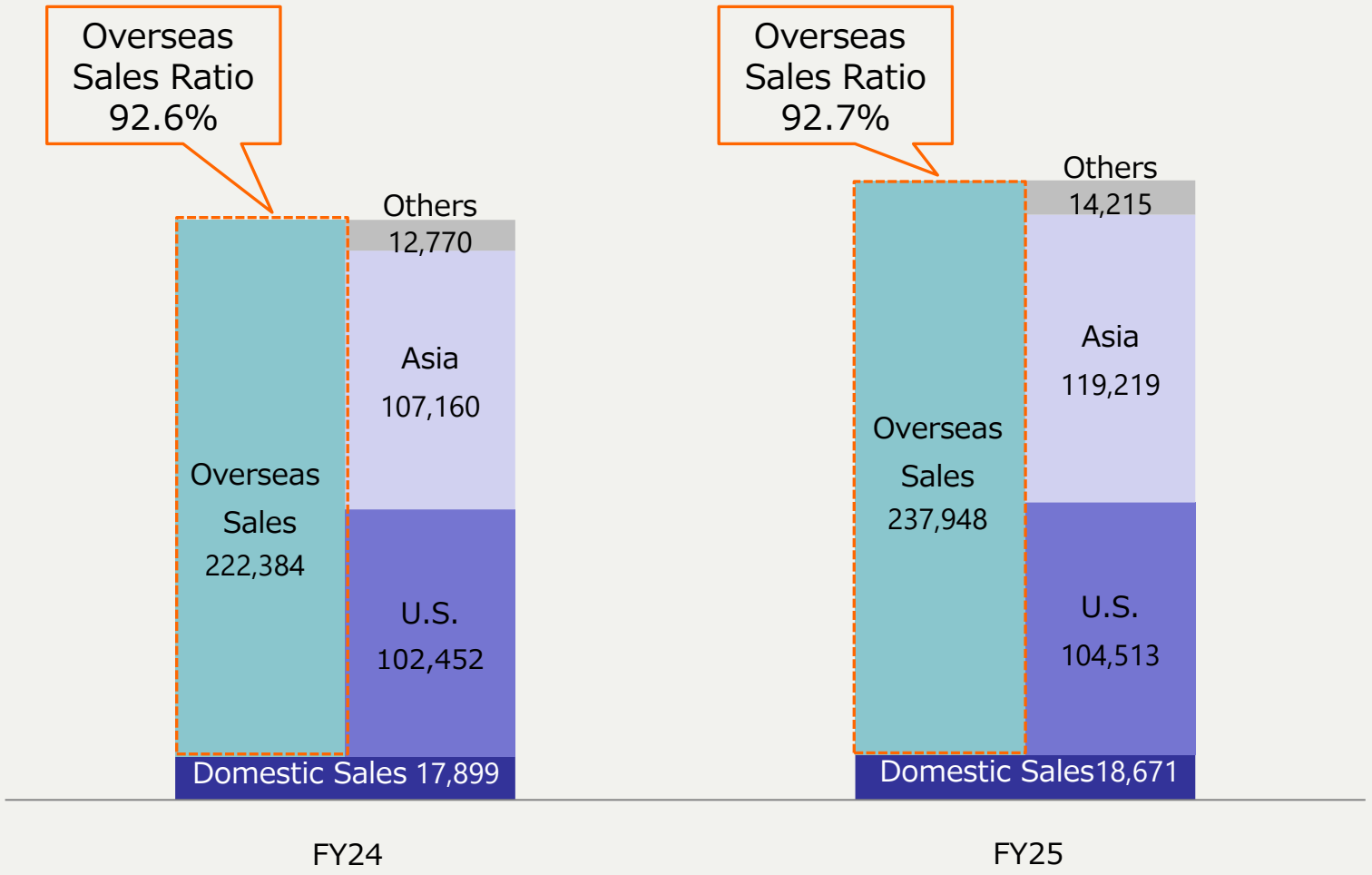
The Foreign Sales Ratio

Overseas Sales Ratio: Increase of 0.1 point
compared to the previous fiscal year

(million yen)



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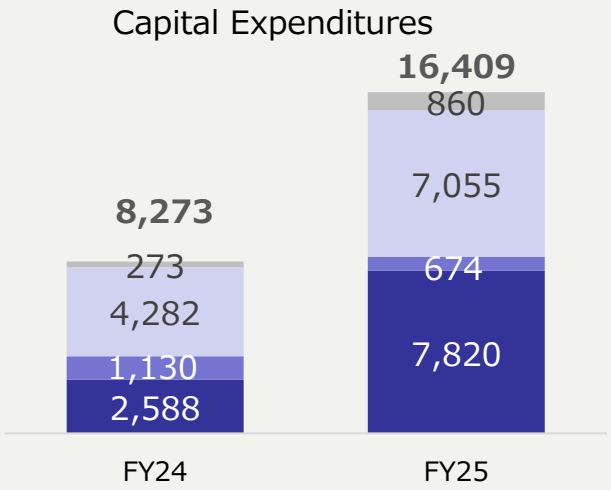
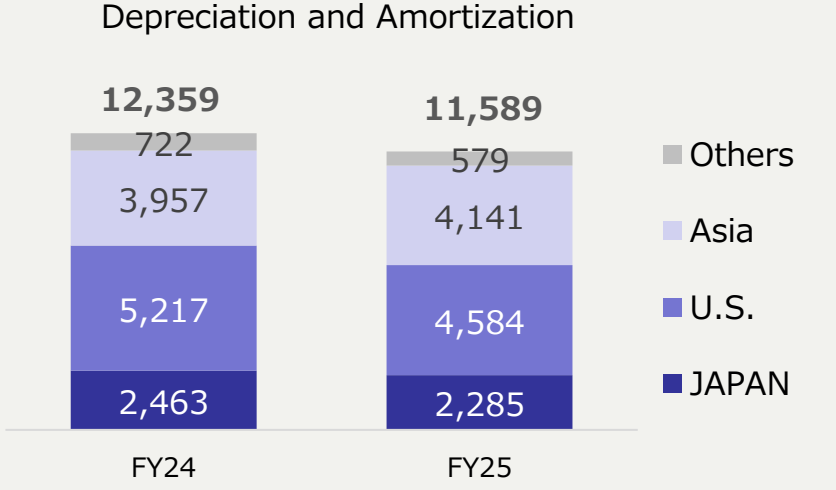
Capital Expenditures, Depreciation & Amortization and Research & development expense

Geographical Segment

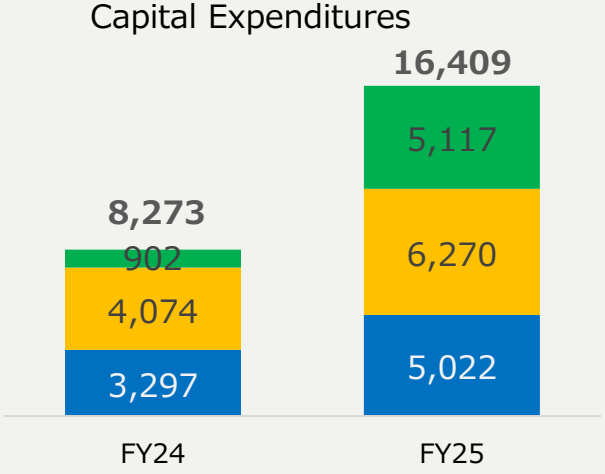
(million yen)

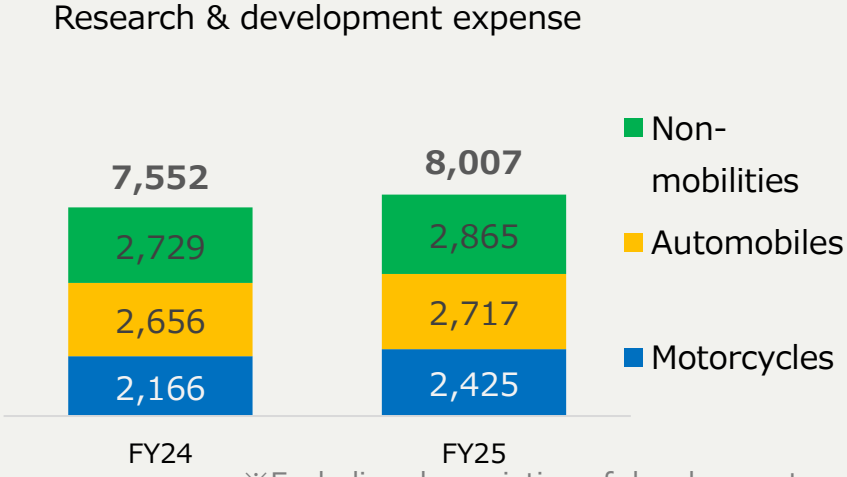




Business Segment

(million yen)





※Excluding depreciation of development assets

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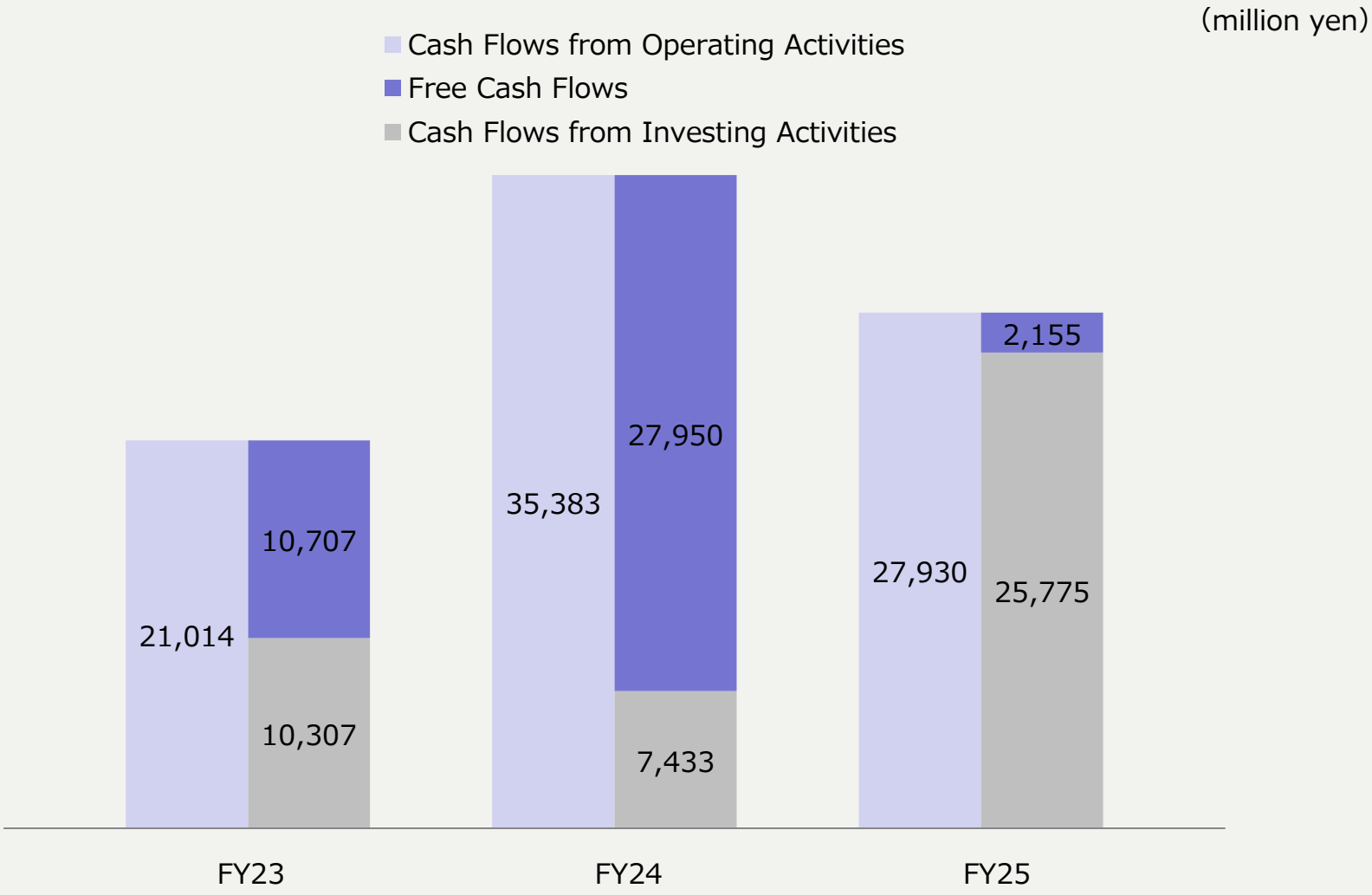
Free Cash Flows

Change in Free Cash Flows



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Exchange Rates FY25

(Average exchange rate)

Location	Currency	FY24	FY25	Change
U.S.	USD	¥144.63	¥152.58	5.5%
Mexico	MXN	¥8.36	¥8.00	-4.3%
Thailand	THB	¥4.11	¥4.38	6.6%
Indonesia	IDR	¥0.0094	¥0.0095	1.1%
India	INR	¥1.75	¥1.81	3.4%
China	CNY	¥20.15	¥21.11	4.8%
Brazil	BRL	¥29.32	¥27.27	-7.0%
Taiwan	TWD	¥4.60	¥4.70	2.2%
Philippines	PHP	¥2.59	¥2.64	1.9%
Vietnam	VND	¥0.00600	¥0.00606	1.0%

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【appendix】
Business Recognition for FY26
※Excluding the impact of US tariffs

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Business Recognition for FY26 ※Excluding the impact of US tariffs

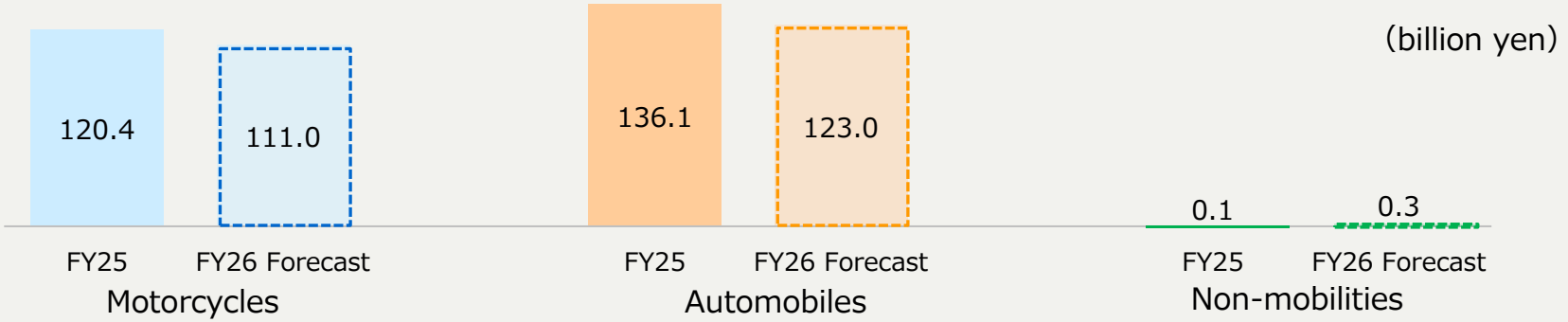
Exchange rate impact on revenue : Total -20 billion yen
(Motorcycle -12 billion yen, Automobile -8 billion yen)
Motorcycle business : Increase in clutch business in India, and increase in EV/CASE business
Automobile business : Decreasing sales in China and U.S.

Revenue by Business Segment

(billion yen)

	FY25 Results	Breakdown Core (Clutch)	Breakdown EV/CASE	FY26 Forecast	Breakdown Core (Clutch)	Breakdown EV/CASE
Revenue	256.6			**233.3**		
Motorcycle	120.4	120.2	0.2	**110.0**	109.1	0.9
Automobile	136.1	136.0	0.1	**123.0**	122.5	0.5
Non-mobility	0.1			**0.3**		
Exchange rate (USD)	152.58			**140.00**		

Exchange rate impact on revenue : Total -20 billion yen
(Motorcycle -12 billion yen, Automobile -8 billion yen)



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【appendix】
Toward Sustained Enhancement of Corporate Value

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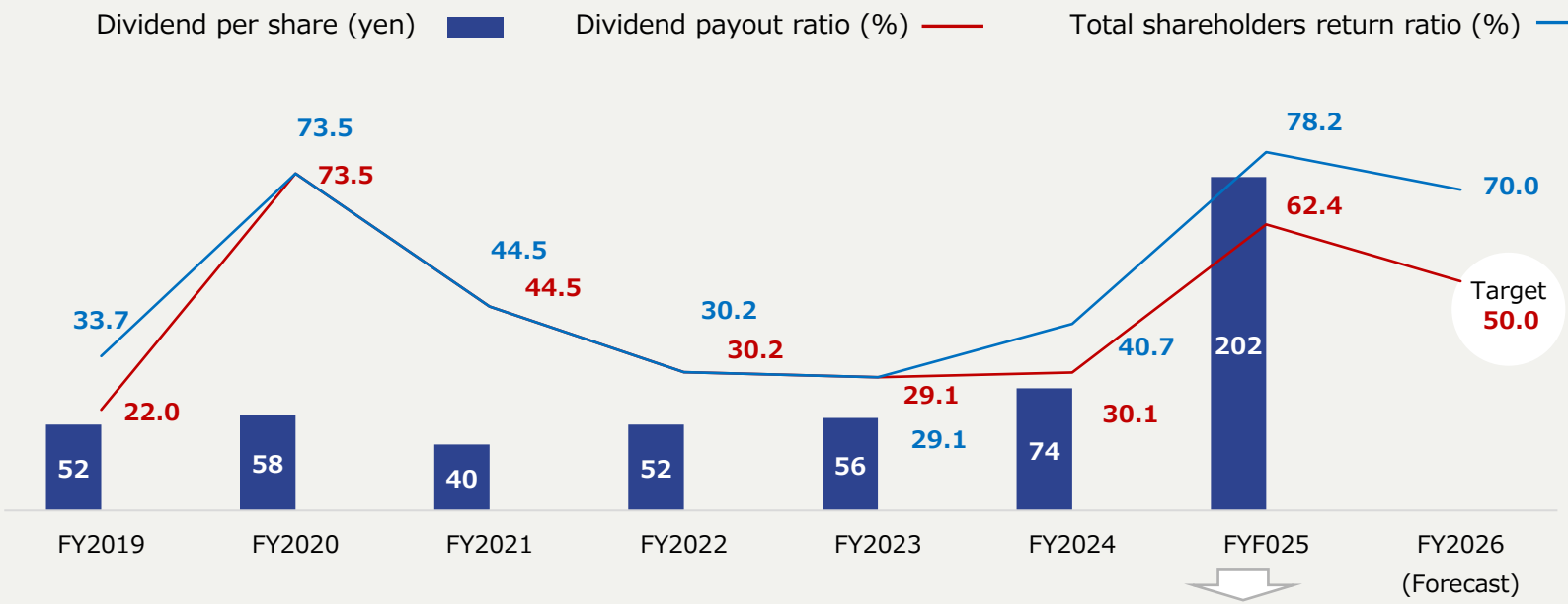
Progress of Financial Strategy

Shareholder returns

- In FY25, we expanded returns based on the progress of the 12th Medium-term Management Plan, compared with announcement at the beginning of the fiscal year.
- In FY26, we expect to exceed the MTMP target (total shareholders return ratio of 40%) and achieve a ratio of 70% or more.



Dividends ▶ **Increased dividend from initial announcement to annual dividend of ¥202 yen** (+¥128 YoY)
Interim : ¥101 (ordinary dividend: ¥38, commemorative dividend: ¥63)
Year-end : ¥101 (ordinary dividend: ¥38, commemorative dividend: ¥63)

Share buybacks ▶ **¥2.5 billion (822,000 shares)**

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Toward Sustained Enhancement of Corporate Value 1/2

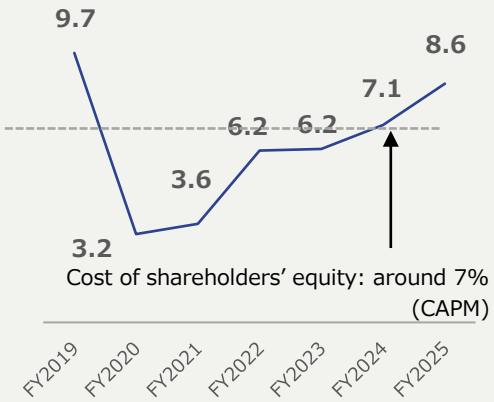
Current analysis and future challenges

- Various indicators are on a recovery trend, but PBR remains below 1x, and further improvement in ROE and PER remains a challenge.
- Aiming for future growth, we will focus on improving the profitability of our core business to exceed the increase in costs for new businesses, with the goal of achieving ROE that consistently exceeds the cost of shareholders' equity.

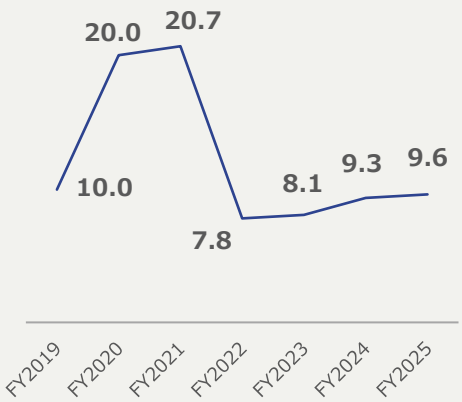
PBR (Unit : Folds)



ROE (Unit : %)



PER (Unit : Folds)



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Toward Sustained Enhancement of Corporate Value 2/2

Future efforts to improve PBR

- We will improve ROE by focusing on enhancing the profitability of core business and working to enhance the profitability of new businesses.
- We will improve PER by actively disclosing financial and non-financial information and our growth story, and working to strengthen human capital aimed at growth.

ROE improvement	Improvement of profitability	**Improvement of profitability of core (clutch) business** **Improvement of profitability of new businesses** Preparation of new businesses
	Active shareholder returns	**Stable and continuous dividends** **Flexible share buybacks**
PER Improvement	Improvement of expected growth (Fostering a sense of expectation)	**Expansion of financial and non-financial disclosures**
		Active disclosure of growth story (strengthening IR activities)
		Strengthening human capital aimed at growth

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【appendix】
FY25 Sales by Customer

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FY25 Sales by Customer

Total

(million yen)

	FY24 Results		FY25 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	90,959	37.9%	94,933	37.0%	3,974	4.4%
YAMAHA Group	16,438	6.8%	16,725	6.5%	287	1.7%
SUZUKI Group	4,790	2.0%	5,506	2.1%	716	14.9%
KAWASAKI Group	2,519	1.0%	2,780	1.1%	261	10.4%
FORD	45,028	18.7%	51,659	20.1%	6,631	14.7%
GM	24,631	10.3%	23,747	9.3%	-884	-3.6%
ZF /STELLANTIS	9,968	4.1%	10,081	3.9%	113	1.1%
Kanematsu (Harley-Davidson ,etc.)	6,055	2.5%	5,866	2.3%	-189	-3.1%
Others	39,895	16.6%	45,322	17.7%	5,427	13.6%
Total	240,283	100.0%	256,619	100.0%	16,336	6.8%

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FY25 Sales by Customer

Motorcycle business

(million yen)

	FY24 Results		FY25 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	50,103	46.9%	56,454	46.9%	6,351	12.7%
YAMAHA Group	16,438	15.4%	16,725	13.9%	287	1.7%
SUZUKI Group	4,790	4.5%	5,506	4.6%	716	14.9%
KAWASAKI Group	2,519	2.4%	2,780	2.3%	261	10.4%
Kanematsu (Harley-Davidson ,etc.)	5,907	5.5%	5,697	4.7%	-210	-3.6%
Hero	5,177	4.8%	5,492	4.6%	315	6.1%
Bajaj	3,081	2.9%	3,309	2.7%	228	7.4%
TVS	6,125	5.7%	7,513	6.2%	1,388	22.7%
Others	12,786	12.0%	16,933	14.1%	4,147	32.4%
Total	106,925	100.0%	120,409	100.0%	13,483	12.6%

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FY25 Sales by Customer

Automobile business

(million yen)

	FY24 Results		FY25 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
HONDA Group	40,856	30.6%	38,479	28.3%	-2,377	-5.8%
FORD	45,028	33.8%	51,659	38.0%	6,631	14.7%
GM	24,631	18.5%	23,747	17.4%	-884	-3.6%
ZF	5,211	3.9%	5,882	4.3%	671	12.9%
STELLANTIS	4,757	3.6%	4,199	3.1%	-558	-11.7%
Others	12,857	9.6%	12,149	8.9%	-708	-5.5%
Total	133,340	100.0%	136,115	100.0%	2,775	2.1%

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FY25 Sales by Customer

Non-mobilities business

(million yen)

	FY24 Results		FY25 Results		Change (amount)	Change (%)
	Revenue	Ratio	Revenue	Ratio		
Others	17	100.0%	95	100%	78	458.8%
Total	17	100.0%	95	100%	78	458.8%

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Inquiry Information

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