

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 6, 2026



**[Summary] Consolidated Financial Results
for the Three Months Ended June 30, 2026
(Under Japanese GAAP)**

Company name: AKEBONO BRAKE INDUSTRY CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7238
 URL: <https://www.akebono-brake.com/>
 Representative: Hiroshi Nagaoka, President & CEO
 Inquiries: Masafumi Onozaki, General Manager, Accounting Department
 Telephone: +81-3-5299-7629
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

(Yen amounts are rounded to the nearest million, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	37,215	(6.7)	1,404	3.6	1,192	73.8	54	-
June 30, 2025	39,872	0.4	1,356	-	686	236.7	(126)	-

Note: Comprehensive income	For the three months ended June 30, 2026:	¥	676 million	[	-%
	For the three months ended June 30, 2025:	¥	(1,837) million	[	-%

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	0.20	0.10
June 30, 2025	(0.46)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	130,546	57,257	39.0
March 31, 2026	128,847	57,608	39.2

Reference: Equity

As of June 30, 2026:	¥	50,904 million
As of March 31, 2026:	¥	50,532 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, 2026	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		0.00	-	0.00	0.00

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

Note: The above table shows dividends on common shares. Please refer to "(Reference) Dividends on Class Shares" for information regarding dividends on class shares, which have different rights from common shares.

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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	%	
Full year	140,900	(12.0)	7,000	25.7	5,200	8.6	2,500	35.6	Yen 9.21

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(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 June 30, 2026	273,755,222 shares
As of March 31, 2026	273,755,222 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2026	2,325,219 shares
As of March 31, 2026	2,325,137 shares

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

Three months ended June 30, 2026	271,430,055 shares
Three months ended June 30, 2025	271,401,440 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 financial forecast and other descriptions of the future presented in this document are based on currently available information and assumptions which are deemed reasonable at present. Consequently, the actual financial performance may vary significantly from the forecast due to various factors.

(Reference) Dividends on Class Shares

Dividends per share related to Class Shares with different rights from those of common shares are as follows.

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Class A Shares	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		0.00	-	0.00	0.00

(Note) Number of Class A Shares in issue are 13,700 shares. 20,000 Class A Shares were originally issued on September 30, 2019. Akebono Brake Industry Co., Ltd. acquired a total of 6,300 Class A shares upon an exercise by the holder of the Class A Shares of the right to request acquisition of the Class A Shares in exchange for Common Shares on January 14, 2025 and then retired the total of 6,300 Class A Shares on January 16, 2025.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	18,093	19,001
Notes and accounts receivable - trade	29,398	27,546
Merchandise and finished goods	3,835	4,849
Work in process	3,076	3,354
Raw materials and supplies	10,429	10,367
Other	2,616	3,372
Allowance for doubtful accounts	(276)	(279)
Total current assets	67,172	68,209
Non-current assets		
Property, plant and equipment		
Buildings and structures	51,856	52,653
Accumulated depreciation	(40,151)	(40,603)
Buildings and structures, net	11,704	12,050
Machinery, equipment and vehicles	148,252	149,402
Accumulated depreciation	(129,548)	(131,061)
Machinery, equipment and vehicles, net	18,705	18,341
Land	13,767	13,771
Construction in progress	2,284	2,947
Other	23,552	23,836
Accumulated depreciation	(21,704)	(21,999)
Other, net	1,848	1,836
Total property, plant and equipment	48,309	48,945
Intangible assets	2,314	2,252
Investments and other assets		
Investment securities	91	89
Retirement benefit asset	8,577	8,612
Deferred tax assets	1,038	1,059
Other	1,345	1,380
Total investments and other assets	11,052	11,140
Total non-current assets	61,675	62,337
Total assets	128,847	130,546

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	16,285	15,908
Short-term borrowings	1,687	2,308
Current portion of long-term borrowings	1,493	2,293
Lease liabilities	347	354
Income taxes payable	676	478
Accrued expenses	7,494	6,942
Provision for bonuses	1,199	2,197
Notes payable - facilities	91	51
Other	2,978	4,421
Total current liabilities	32,251	34,953
Non-current liabilities		
Long-term borrowings	31,363	30,390
Lease liabilities	356	280
Provision for retirement benefits for directors (and other officers)	9	9
Retirement benefit liability	3,377	3,451
Deferred tax liabilities	1,722	2,225
Deferred tax liabilities for land revaluation	1,665	1,665
Other	496	316
Total non-current liabilities	38,988	38,336
Total liabilities	71,239	73,289
Net assets		
Shareholders' equity		
Share capital	19,939	19,939
Capital surplus	2,205	2,205
Retained earnings	19,715	19,769
Treasury shares	(1,552)	(1,552)
Total shareholders' equity	40,308	40,362
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19	16
Revaluation reserve for land	3,741	3,741
Foreign currency translation adjustment	5,611	5,972
Remeasurements of defined benefit plans	853	813
Total accumulated other comprehensive income	10,224	10,543
Share acquisition rights	103	126
Non-controlling interests	6,974	6,226
Total net assets	57,608	57,257
Total liabilities and net assets	128,847	130,546

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	39,872	37,215
Cost of sales	35,373	32,512
Gross profit	4,498	4,703
Selling, general and administrative expenses	3,143	3,299
Operating profit	1,356	1,404
Non-operating income		
Interest income	48	39
Dividend income	3	3
Foreign exchange gains	-	308
Other	33	79
Total non-operating income	84	429
Non-operating expenses		
Interest expenses	436	468
Foreign exchange losses	255	-
Expenses for product compensation	7	99
Financing expenses	3	5
Other	52	70
Total non-operating expenses	754	642
Ordinary profit	686	1,192
Extraordinary income		
Gain on sale of non-current assets	1	3
Gain on reversal of share acquisition rights	-	11
Total extraordinary income	1	14
Extraordinary losses		
Loss on sale and retirement of non-current assets	10	21
Business restructuring expenses	214	37
Total extraordinary losses	224	58
Profit before income taxes	463	1,148
Income taxes - current	542	413
Income taxes - deferred	(242)	504
Total income taxes	300	916
Profit	163	232
Profit attributable to non-controlling interests	288	178
Profit (loss) attributable to owners of parent	(126)	54

Quarterly Consolidated Statement of Comprehensive Income
For the Three-Month Period

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	163	232
Other comprehensive income		
Valuation difference on available-for-sale securities	2	(2)
Foreign currency translation adjustment	(2,064)	487
Remeasurements of defined benefit plans, net of tax	63	(40)
Total other comprehensive income	(2,000)	444
Comprehensive income	(1,837)	676
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,709)	373
Comprehensive income attributable to non-controlling interests	(128)	303

Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	463	1,148
Depreciation	1,520	1,579
Increase (decrease) in allowance for doubtful accounts	(14)	-
Increase (decrease) in retirement benefit liability	12	(16)
Interest and dividend income	(51)	(42)
Interest expenses	436	468
Loss (gain) on sale and retirement of non-current assets	9	18
Decrease (increase) in trade receivables	(619)	2,060
Decrease (increase) in inventories	(12)	(1,019)
Increase (decrease) in trade payables	328	(458)
Other, net	462	1,052
Subtotal	2,534	4,790
Interest and dividends received	51	42
Interest paid	(805)	(849)
Income taxes paid	(952)	(683)
Payments for business restructuring	(364)	(688)
Net cash provided by (used in) operating activities	464	2,613
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(915)	(1,964)
Proceeds from sale of property, plant and equipment and intangible assets	2	3
Purchase of investment securities	(0)	-
Other, net	80	(10)
Net cash provided by (used in) investing activities	(834)	(1,972)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	892	614
Repayments of long-term borrowings	-	(171)
Dividends paid to non-controlling interests	(354)	(29)
Repayments of finance lease liabilities	(20)	(81)
Net decrease (increase) in treasury shares	0	(0)
Net cash provided by (used in) financing activities	518	333
Effect of exchange rate change on cash and cash equivalents	170	(66)
Net increase (decrease) in cash and cash equivalents	318	907
Cash and cash equivalents at beginning of period	18,303	18,093
Cash and cash equivalents at end of period	18,622	19,001