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November 14, 2025

[Summary] Consolidated Financial Results for the Six Months Ended September 30, 2025 (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
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Scheduled date to file semi-annual securities report: November 14, 2025
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 six months ended September 30, 2025 (from April 1, 2025 to September 30, 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	%
Six months ended September 30, 2025	78,942	(3.0)	2,298	166.1	744	-	(788)	-
September 30, 2024	81,392	0.3	863	-	(3,834)	-	740	(2.3)

Note: Comprehensive income For the six months ended September 30, 2025: ¥ (3,677) million [-%]
For the six months ended September 30, 2024: ¥ (51) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	(2.90)	-
September 30, 2024	5.54	1.37

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	125,103	52,273	36.7
March 31, 2025	128,326	55,945	38.6

Reference: Equity

As of September 30, 2025: ¥ 45,939 million
As of March 31, 2025: ¥ 49,498 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	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2026	-	0.00			
Fiscal year ending March 31, 2026 (Forecast)			-	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, 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
Full year	154,600	(4.4)	4,000	28.1	1,700	-	(1,300)	-	(4.79)

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 semi-annual 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 September 30, 2025	273,755,222 shares
As of March 31, 2025	273,755,222 shares

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

As of September 30, 2025	2,324,866 shares
As of March 31, 2025	2,375,138 shares

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

Six months ended September 30, 2025	271,410,720 shares
Six months ended September 30, 2024	133,592,969 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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				
	1st quarter-end	2nd quarter-end	3rd quarter-end	4th quarter-end	Total
Class A Shares	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending March 31, 2026	-	0.00			
Fiscal year ending March 31, 2026 (Forecast)			-	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 30 September 2019. The Company 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.

Semi-annual Consolidated Financial Statements

Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	18,303	17,228
Notes and accounts receivable - trade	27,440	28,496
Merchandise and finished goods	4,252	3,447
Work in process	2,605	2,466
Raw materials and supplies	10,296	10,167
Other	2,296	2,890
Allowance for doubtful accounts	(240)	(209)
Total current assets	64,951	64,485
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,633	51,224
Accumulated depreciation	(41,995)	(41,447)
Buildings and structures, net	10,638	9,777
Machinery, equipment and vehicles	149,423	142,262
Accumulated depreciation	(129,655)	(124,162)
Machinery, equipment and vehicles, net	19,769	18,100
Land	13,727	13,641
Construction in progress	4,229	4,430
Other	23,176	22,934
Accumulated depreciation	(21,382)	(21,255)
Other, net	1,794	1,680
Total property, plant and equipment	50,158	47,628
Intangible assets	2,358	2,073
Investments and other assets		
Investment securities	85	93
Retirement benefit asset	8,548	8,649
Deferred tax assets	1,025	960
Other	1,202	1,216
Total investments and other assets	10,860	10,917
Total non-current assets	63,375	60,618
Total assets	128,326	125,103

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	18,238	18,247
Short-term borrowings	2,862	4,068
Lease liabilities	103	100
Income taxes payable	720	549
Accrued expenses	6,002	6,627
Provision for bonuses	1,065	1,040
Notes payable - facilities	139	72
Other	2,208	2,175
Total current liabilities	31,337	32,878
Non-current liabilities		
Long-term borrowings	32,000	32,000
Lease liabilities	166	120
Provision for retirement benefits for directors (and other officers)	8	8
Retirement benefit liability	3,374	3,233
Deferred tax liabilities	2,570	2,406
Deferred tax liabilities for land revaluation	1,665	1,665
Other	1,260	518
Total non-current liabilities	41,044	39,951
Total liabilities	72,381	72,829
Net assets		
Shareholders' equity		
Share capital	19,939	19,939
Capital surplus	2,345	2,320
Retained earnings	17,872	17,084
Treasury shares	(1,586)	(1,552)
Total shareholders' equity	38,571	37,791
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13	20
Revaluation reserve for land	3,741	3,741
Foreign currency translation adjustment	6,421	3,567
Remeasurements of defined benefit plans	752	820
Total accumulated other comprehensive income	10,927	8,148
Share acquisition rights	25	23
Non-controlling interests	6,422	6,312
Total net assets	55,945	52,273
Total liabilities and net assets	128,326	125,103

Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	81,392	78,942
Cost of sales	73,756	70,434
Gross profit	7,636	8,509
Selling, general and administrative expenses	6,772	6,211
Operating profit	863	2,298
Non-operating income		
Interest income	165	93
Dividend income	163	4
Other	163	56
Total non-operating income	490	153
Non-operating expenses		
Interest expenses	927	900
Foreign exchange losses	2,270	532
Expenses for product compensation	47	26
Financing expenses	1,698	27
Other	245	223
Total non-operating expenses	5,187	1,707
Ordinary profit (loss)	(3,834)	744
Extraordinary income		
Gain on sale of non-current assets	36	24
Gain on sale of investment securities	8,863	0
Gain on reversal of share acquisition rights	3	-
Total extraordinary income	8,901	24
Extraordinary losses		
Loss on sale and retirement of non-current assets	59	28
Business restructuring expenses	498	416
Loss on reversal of foreign currency translation adjustment	848	-
Loss on disaster	-	181
Total extraordinary losses	1,405	626
Profit before income taxes	3,663	142
Income taxes - current	1,129	709
Income taxes - deferred	1,505	(196)
Total income taxes	2,634	513
Profit (loss)	1,029	(371)
Profit attributable to non-controlling interests	289	417
Profit (loss) attributable to owners of parent	740	(788)

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit (loss)	1,029	(371)
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,845)	7
Foreign currency translation adjustment	6,956	(3,404)
Remeasurements of defined benefit plans, net of tax	(192)	91
Total other comprehensive income	(1,080)	(3,306)
Comprehensive income	(51)	(3,677)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(949)	(3,567)
Comprehensive income attributable to non-controlling interests	898	(110)

Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	3,663	142
Depreciation	3,380	3,019
Increase (decrease) in allowance for doubtful accounts	27	(33)
Increase (decrease) in retirement benefit liability	(213)	15
Interest and dividend income	(327)	(98)
Interest expenses	927	900
Loss (gain) on sale and retirement of non-current assets	23	4
Loss (gain) on sale of investment securities	(8,863)	(0)
Decrease (increase) in trade receivables	1,880	(2,060)
Decrease (increase) in inventories	(312)	247
Increase (decrease) in trade payables	(1,595)	637
Other, net	1,735	278
Subtotal	324	3,052
Interest and dividends received	327	98
Interest paid	(925)	(877)
Income taxes paid	(975)	(1,061)
Income taxes refund	85	-
Payments for business restructuring	(245)	(392)
Other, net	(2,300)	-
Net cash provided by (used in) operating activities	(3,709)	820
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(3,357)	(2,144)
Proceeds from sale of property, plant and equipment and intangible assets	61	22
Purchase of investment securities	(0)	(0)
Proceeds from sale of investment securities	11,511	0
Other, net	(39)	78
Net cash provided by (used in) investing activities	8,176	(2,044)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,968	1,440
Proceeds from long-term borrowings	31,040	-
Repayments of long-term borrowings	(50,076)	-
Dividends paid to non-controlling interests	(2,480)	(354)
Repayments of finance lease liabilities	(50)	(46)
Net decrease (increase) in treasury shares	(0)	0
Net cash provided by (used in) financing activities	(18,598)	1,040
Effect of exchange rate change on cash and cash equivalents	3,477	(891)
Net increase (decrease) in cash and cash equivalents	(10,654)	(1,075)
Cash and cash equivalents at beginning of period	26,949	18,303
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(273)	-
Cash and cash equivalents at end of period	16,023	17,228