

Translation

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## Consolidated Financial Results for the Six Months of the Fiscal Year Ending December 31, 2025 (Under Japanese GAAP)

August 8, 2025

Company name:	ICHIKOH INDUSTRIES, Ltd.
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	7244
URL:	<a href="http://www.ichikoh.com/">http://www.ichikoh.com/</a>
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Scheduled date for submission of interim report:	August 8, 2025
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending December 31, 2025 (from January 01, 2025 to June 30, 2025)

(1) Consolidated operating results (Cumulative) (Percentages indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended June 30, 2025	55,546	(10.7)	2,684	52.7	3,663	57.3	2,597	87.9
June 30, 2024	62,182	(17.9)	1,758	(53.4)	2,329	(38.4)	1,382	(45.2)

(Note) Comprehensive income For the six months ended December 31, 2025: 1,427 million yen ((62.6)%) For the six months ended December 31, 2024: 3,821 million yen (1.0%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended June 30, 2025	27.00	-
June 30, 2024	14.37	-

### (2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2025	121,145	71,677	58.5
December 31, 2024	130,089	70,951	53.8

(Reference) Owner's equity As of the six months ended December 31, 2025: 70,835 million yen As of December 31, 2024: 70,048 million yen

### 2. Cash dividends

	Annual dividends				
	End of first quarter	End of second quarter	At the end of the third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	-	6.50	-	6.50	13.00
Fiscal year ending December 31, 2025	-	7.00			
Fiscal year ending December 31, 2025 (Forecast)			-	7.00	14.00

(Note) Presence or absence of revisions to the most recently announced dividend forecast: None

### 3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2025 (from January 01, 2025 to December 31, 2025)

(Percentages indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending December 31, 2025	121,000	(3.6)	5,400	10.6	6,200	(4.9)	3,900	(12.8)	40.57

(Note) Correction of financial forecast from the most recent financial forecast: None

#### \* Notes

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Application of accounting procedures specific to the preparation of interim consolidated financial statements : Yes
- (3) Changes in accounting policies, Changes in accounting estimates, Retrospective restatement
- (i) Changes in accounting policies based on revisions of accounting standard : Yes
- (ii) Changes in accounting policies other than (i) above : None
- (iii) Changes in accounting estimates : None
- (iv) Retrospective restatement : None
- (4) Number of shares issued (common stock)

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

As of June 30, 2025	96,431,141 shares
As of December 31, 2024	96,363,161 shares

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

As of June 30, 2025	181,550 shares
As of December 31, 2024	181,424 shares

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

Six months ended June 30, 2025	96,201,124 shares
Six months ended June 30, 2024	96,161,426 shares

\* The second quarter (interim) financial results report is not subject to review by certified public accountants or audit corporations.

\* Notes on the appropriate use of forecasts and other special items

Forward-looking statements such as forecasts of business performance contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. Actual results may differ significantly due to various factors.

## 1. Qualitative information regarding the quarterly financial results

### (1) Explanation of operating results

During the six months ended June 30, 2025, the Japanese economy showed a moderate recovery, supported by resilient capital investment, particularly in software, and inbound demand, despite some impact from U.S. trade policies. In the United States, personal consumption declined due to price increases caused by the pass-through of tariffs, and although corporate production activities expanded slightly, economic conditions remained unstable as companies postponed capital investment due to uncertainty about the future. In ASEAN, Malaysia maintained steady growth driven by domestic demand, supported by improvements in the labor market and income-related policies. However, Indonesia continued to experience sluggish domestic demand, and the effects of economic stimulus measures were limited by the fiscal deficit, resulting in a decelerating economy. In Thailand, weak consumer spending and sluggish capital investment due to uncertainty over U.S. tariff policies weighed on the economy, with lackluster domestic demand acting as a drag on growth.

Under these circumstances, during the six months ended June 30, 2025, the number of automobiles produced in Japan, our main market, showed a slight increase year on year due to a recovery from production declines caused by vehicle certification issues. In ASEAN, however, continued economic stagnation led to a year-on-year decrease in automobile production.

As a result, for the six months ended June 30, 2025, due in part to production decreases by certain automobile manufacturers, both the Japanese domestic and ASEAN markets declined compared to the overall market, resulting in net sales of 55,546 million yen (down 10.7% YoY). However on temporary factors and by passing increased raw material costs to sales prices, improving productivity through reduced defect rates in ASEAN, and other rationalization efforts, the company was able to offset the profit decrease caused by lower sales. As a result, operating profit was 2,684 million yen (up 52.7% YoY), ordinary profit was 3,663 million yen (up 57.3% YoY), and profit attributable to owners of parent was 2,597 million yen (up 87.9% YoY), resulting in higher profits despite lower sales.

Note: As the Group's segments for the six months ended June 30, 2025 consist of a single segment, the Automotive Parts business, segment information is omitted.

### (3) Explanation regarding consolidated forecasts and other forward-looking information

Regarding forecasts, the market outlook for automobile production remains uncertain due to concerns such as U.S. tariff policies and delays in new vehicle development. Despite these headwinds, we expect improvements in quality and production recovery in the ASEAN region, thorough cost reductions, and increased productivity. Therefore, there are no revisions to the figures announced on February 14, 2025.

Also, there are no changes to the year-end dividend forecast.

Please note that any statements regarding forecasts or other forward-looking information contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable. Actual results may differ due to various factors.

## 2. Interim Consolidated Financial Statements and Main Notes

### (1) Interim Consolidated Balance Sheet

(Unit: Million yen)

	As of December 31, 2024	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	12,642	11,991
Notes and accounts receivable - trade	16,606	13,523
Electronically recorded monetary claims - operating	19	17
Merchandise and finished goods	1,888	1,924
Work in process	3,210	4,327
Raw materials and supplies	3,668	3,574
Short-term loans receivable	25,917	20,718
Other	2,639	2,310
Allowance for doubtful accounts	(81)	(60)
Total current assets	66,512	58,326
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,921	11,448
Machinery, equipment and vehicles, net	16,355	15,220
Tools, furniture and fixtures, net	1,791	1,666
Land	1,781	1,752
Leased assets, net	3,520	4,733
Construction in progress	5,089	3,286
Total property, plant and equipment	38,461	38,109
Intangible assets		
Other	38	35
Total intangible assets	38	35
Investments and other assets		
Investment securities	3,474	3,568
Investments in capital of subsidiaries and associates	12,921	12,705
Long-term loans receivable	769	798
Deferred tax assets	3,891	3,636
Other	4,022	3,967
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	25,076	24,674
Total non-current assets	63,577	62,819
Total assets	130,089	121,145

(Unit: Million yen)

	As of December 31, 2024	As of June 30, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	14,091	14,231
Electronically recorded obligations - operating	16,554	11,899
Short-term borrowings	13	-
Lease liabilities	635	591
Income taxes payable	1,021	686
Accrued expenses	6,406	3,535
Provision for bonuses	910	1,507
Provision for bonuses for directors (and other officers)	34	32
Provision for product warranties	973	894
Other	7,441	4,441
Total current liabilities	48,082	37,820
Non-current liabilities		
Lease liabilities	3,731	4,759
Retirement benefit liability	7,148	6,759
Asset retirement obligations	26	26
Other	149	101
Total non-current liabilities	11,055	11,648
Total liabilities	59,138	49,468
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,003	9,017
Capital surplus	2,523	2,536
Retained earnings	54,853	56,825
Treasury shares	(56)	(56)
Total shareholders' equity	66,323	68,322
Accumulated other comprehensive income		
Foreign currency translation adjustment	4,195	2,910
Remeasurements of defined benefit plans	(470)	(397)
Total accumulated other comprehensive income	3,724	2,512
Non-controlling interests	902	841
Total net assets	70,951	71,677
Total liabilities and net assets	130,089	121,145

## (2) Consolidated Statement of Income (Interim) and Consolidated Statement of Comprehensive Income (Interim)

## Interim Consolidated Statement of Income

(Unit: Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net sales	62,182	55,546
Cost of sales	51,292	45,939
Gross profit	10,889	9,606
Selling, general and administrative expenses	9,130	6,922
Operating profit	1,758	2,684
Non-operating income		
Interest income	80	161
Dividend income	6	1
Share of profit of entities accounted for using equity method	927	892
Other	5	133
Total non-operating income	1,019	1,188
Non-operating expenses		
Interest expenses	68	115
Commission expenses	3	1
Foreign exchange losses	351	91
Others	26	1
Total non-operating expenses	448	210
Ordinary profit	2,329	3,663
Extraordinary income		
Gain on disposal of non-current assets	-	47
Total extraordinary income	-	47
Extraordinary losses		
Loss on disposal of non-current assets	42	48
Business restructuring expenses	205	425
Total extraordinary losses	248	474
Net income before income taxes	2,081	3,236
Income taxes	665	576
Net income	1,415	2,659
Net income attributable to non-controlling interests	33	62
Profit attributable to owners of parent	1,382	2,597

## Interim Consolidated Statement of Comprehensive Income

(Unit: Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
Net income	1,415	2,659
Other comprehensive income		
Valuation difference on available-for-sale securities	47	-
Foreign currency translation adjustment	709	(291)
Remeasurements of defined benefit plans, net of tax	104	72
Share of other comprehensive income of entities accounted for using equity method	1,544	(1,013)
Total other comprehensive income	2,405	(1,232)
Comprehensive income	3,821	1,427
Profit attributable to		
Interim comprehensive income attributable to owners of the parent	3,716	1,385
Interim comprehensive income attributable to non- controlling interests	105	41

## (3) Interim Consolidated Statement of Cash Flows

(Unit: Million yen)

	For the six months ended June 30, 2024	For the six months ended June 30, 2025
<b>Cash flows from operating activities</b>		
Net income before income taxes	2,081	3,236
Depreciation	2,667	2,837
Increase (decrease) in provision for bonuses	1,499	604
Increase (decrease) in provision for product warranties	140	(77)
Increase (decrease) in retirement benefit liability	260	(246)
Interest and dividend income	(86)	(162)
Interest expenses	68	115
Share of loss (profit) of entities accounted for using equity method	(927)	(892)
Loss (gain) on sale and retirement of non-current assets	42	1
Decrease (increase) in trade receivables	4,276	2,852
Decrease (increase) in inventories	10	(1,256)
Increase (decrease) in trade payables	(3,717)	(4,091)
Increase (decrease) in other current liabilities	(2,245)	(4,415)
Other	(461)	(465)
Subtotal	3,607	(1,960)
Interest and dividends received	86	362
Interest paid	(52)	(99)
Income taxes paid	(1,533)	(383)
Cash flows from operating activities	2,108	(2,081)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,650)	(2,611)
Proceeds from sale of property, plant and equipment	6	59
Purchase of intangible assets	(7)	(1)
Purchase of investment securities	(6)	-
Net decrease (increase) in short-term loans receivable	1,987	5,088
Other	167	259
Cash flows from investing activities	496	2,794
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(350)	(13)
Repayments of long-term borrowings	(920)	-
Repayments of lease liabilities	(275)	(308)
Dividends paid	(528)	(625)
Dividends paid to non-controlling interests	-	(102)
Others	(0)	(0)
Cash flows from financing activities	(2,074)	(1,050)
Effect of exchange rate change on cash and cash equivalents	378	(313)
Net increase (decrease) in cash and cash equivalents	908	(650)
Cash and cash equivalents at beginning of period	8,937	12,642
Cash and cash equivalents at the end of the interim period	9,845	11,991



#### (4) Notes to the interim consolidated financial statements

(Notes regarding the assumption of a going concern)

There are no applicable items.

(Notes in case of significant changes in the amount of shareholders' equity)

There are no applicable matters.

(Application of accounting procedures specific to the preparation of interim consolidated financial statements)

(Calculation of tax expenses)

Regarding income tax expenses, the effective tax rate after applying tax effect accounting to the pre-tax net income for the consolidated fiscal year, including the current interim consolidated accounting period, is reasonably estimated, and the estimated effective tax rate is applied to the pre-tax net income to calculate the tax expenses.

However, if calculating tax expenses using the estimated effective tax rate results in a significantly unreasonable outcome, the statutory effective tax rate is used instead.

[Segment Information]

(Matters related to changes in segments, etc.)

From the six months ended September 30, 2024, the segments have been changed from the previous two segments of 'Automotive Parts Business' and 'Automotive Aftermarket Business' to a single segment of 'Automotive Parts Business.'

This change was made because, in the previous consolidated fiscal year, we promoted selection and concentration on the lighting business and allocated management resources with priority. As a result, all shares of PIAA Corporation, a consolidated subsidiary previously classified under the Automotive Aftermarket business, were transferred, and there are no longer any businesses classified under the Automotive Aftermarket business. Therefore, we determined that disclosing segments as a single segment would more appropriately reflect the actual management situation of our group.

As a result of this change, our group is now a single segment, the "Automotive Parts Business," and therefore, segment information for the previous and current interim consolidated accounting periods has been omitted.

(Significant Subsequent Events)

There are no applicable matters.

#### 1. Non-consolidated Results for the Six Months Ending December 31, 2025

##### (1) Non-consolidated operating results

(Percentage indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ending June 2025	40,698	(3.8)	499	(21.8)	821	50.1	281	10.4
Fiscal year ending June 2024	42,286	(20.9)	638	(69.6)	547	(73.5)	255	(77.2)

##### (2) Non-consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
Fiscal year ending June 2025	82,477	47,598	57.7	494.53
Fiscal year ending December 31, 2024	90,446	47,915	53.0	498.17

(Reference) Owner's equity Fiscal year ending June 2025 47,598 million yen Fiscal year ending December 2024 47,915 million yen