

May 12, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: FUTABA CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 6986
 URL: <https://www.futaba.co.jp/>
 Representative: Motoaki Arima, President and Representative Director Chief Executive Officer
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 Scheduled date of annual general meeting of shareholders: June 26, 2026
 Scheduled date to commence dividend payments: June 29, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	42,982	(10.7)	(2,280)	-	(683)	-	2,522	-
March 31, 2025	48,116	(14.6)	(1,292)	-	(206)	-	(281)	-

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥7,439 million [-%]
 For the fiscal year ended March 31, 2025: ¥(1,252) million [-%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	59.48	-	3.1	(0.7)	(5.3)
March 31, 2025	(6.63)	-	(0.4)	(0.2)	(2.7)

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	108,884	95,200	77.0	1,975.55
March 31, 2025	101,090	88,312	76.3	1,819.33

Reference: Equity
 As of March 31, 2026: ¥83,793 million
 As of March 31, 2025: ¥77,167 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	1,770	2,443	(833)	28,281
March 31, 2025	4,624	(1,351)	(1,151)	23,610

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended March 31, 2025	-	0.00	-	10.00	10.00	424	-	0.6
Fiscal year ended March 31, 2026	-	0.00	-	18.00	18.00	763	30.3	1.0
Fiscal year ending March 31, 2027 (Forecast)	-	-	-	-	-	-	-	-

Note: Dividends for the fiscal year ending March 31, 2027 have not yet been determined.

3. Forecast of consolidated financial results 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	%	Yen
Fiscal year ending March 31, 2027	45,000	4.7	(1,300)	-	(850)	-	(3,900)	-	(91.95)

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Excluded: 1 company (FUTABA DENSHI Corp. (S) Pte. Ltd.)

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2026	42,426,739 shares
As of March 31, 2025	42,426,739 shares

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

As of March 31, 2026	11,614 shares
As of March 31, 2025	11,122 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	42,415,428 shares
Fiscal year ended March 31, 2025	42,416,036 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The above earnings forecasts are calculated based on information currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to be a promise by the Company to achieve them. Please be aware that actual results may vary due to various factors.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	31,285	36,189
Notes and accounts receivable - trade	11,655	11,536
Electronically recorded monetary claims - operating	1,474	1,502
Securities	298	199
Merchandise and finished goods	4,046	3,188
Work in process	2,054	1,845
Raw materials and supplies	7,867	6,947
Other	1,078	1,669
Allowance for doubtful accounts	(803)	(1,004)
Total current assets	58,955	62,075
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,380	33,765
Accumulated depreciation	(28,302)	(28,714)
Buildings and structures, net	5,078	5,050
Machinery, equipment and vehicles	38,079	39,569
Accumulated depreciation	(36,242)	(37,739)
Machinery, equipment and vehicles, net	1,836	1,829
Tools, furniture and fixtures	6,239	6,460
Accumulated depreciation	(5,878)	(6,113)
Tools, furniture and fixtures, net	361	347
Land	8,973	9,190
Leased assets	9	9
Accumulated depreciation	(4)	(4)
Leased assets, net	5	5
Construction in progress	112	140
Other	377	274
Total property, plant and equipment	16,745	16,837
Intangible assets		
Other	645	497
Total intangible assets	645	497
Investments and other assets		
Investment securities	13,343	17,333
Retirement benefit asset	9,287	10,002
Deferred tax assets	232	192
Other	2,512	2,439
Allowance for doubtful accounts	(631)	(494)
Total investments and other assets	24,744	29,474
Total non-current assets	42,135	46,809
Total assets	101,090	108,884

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,909	2,103
Electronically recorded obligations - operating	110	-
Short-term borrowings	94	-
Lease liabilities	139	163
Accrued expenses	1,817	1,852
Income taxes payable	182	146
Provision for bonuses	663	679
Other	1,618	1,366
Total current liabilities	6,534	6,312
Non-current liabilities		
Lease liabilities	467	340
Deferred tax liabilities	5,467	6,664
Provision for retirement benefits for directors (and other officers)	17	22
Retirement benefit liability	179	215
Other	111	129
Total non-current liabilities	6,243	7,372
Total liabilities	12,778	13,684
Net assets		
Shareholders' equity		
Share capital	22,558	22,558
Capital surplus	21,044	21,044
Retained earnings	21,818	23,917
Treasury shares	(17)	(17)
Total shareholders' equity	65,404	67,503
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,931	7,497
Foreign currency translation adjustment	3,681	5,624
Remeasurements of defined benefit plans	3,149	3,167
Total accumulated other comprehensive income	11,763	16,289
Non-controlling interests	11,144	11,406
Total net assets	88,312	95,200
Total liabilities and net assets	101,090	108,884

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	48,116	42,982
Cost of sales	39,248	36,058
Gross profit	8,868	6,923
Selling, general and administrative expenses	10,161	9,204
Operating loss	(1,292)	(2,280)
Non-operating income		
Interest income	570	623
Dividend income	335	462
Rental income	260	192
Foreign exchange gains	-	407
Other	163	112
Total non-operating income	1,330	1,797
Non-operating expenses		
Interest expenses	74	62
Foreign exchange losses	44	-
Loss on investments in investment partnerships	22	65
Extra retirement payments	46	22
Other	56	49
Total non-operating expenses	244	200
Ordinary loss	(206)	(683)
Extraordinary income		
Gain on sale of non-current assets	1,947	3,673
Gain on liquidation of subsidiaries and associates	-	553
Total extraordinary income	1,947	4,226
Extraordinary losses		
Loss on sale of non-current assets	0	3
Loss on abandonment of non-current assets	1	8
Impairment losses	321	530
Loss on business restructuring	598	71
Total extraordinary losses	921	613
Profit before income taxes	818	2,929
Income taxes - current	637	160
Income taxes - refund	(355)	(4)
Income taxes - deferred	280	218
Total income taxes	562	374
Profit	256	2,555
Profit attributable to non-controlling interests	537	32
Profit (loss) attributable to owners of parent	(281)	2,522

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	256	2,555
Other comprehensive income		
Valuation difference on available-for-sale securities	160	2,592
Foreign currency translation adjustment	(2,744)	2,326
Remeasurements of defined benefit plans, net of tax	1,075	(34)
Total other comprehensive income	(1,508)	4,883
Comprehensive income	(1,252)	7,439
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(828)	7,049
Comprehensive income attributable to non-controlling interests	(423)	389

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	22,558	21,046	22,312	(16)	65,899
Changes during period					
Dividends of surplus			(212)		(212)
Profit attributable to owners of parent			(281)		(281)
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(1)			(1)
Net changes in items other than shareholders' equity					
Total changes during period	-	(1)	(493)	(0)	(495)
Balance at end of period	22,558	21,044	21,818	(17)	65,404

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,773	5,485	2,051	12,310	12,318	90,529
Changes during period						
Dividends of surplus						(212)
Profit attributable to owners of parent						(281)
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						(1)
Net changes in items other than shareholders' equity	157	(1,803)	1,098	(547)	(1,174)	(1,722)
Total changes during period	157	(1,803)	1,098	(547)	(1,174)	(2,217)
Balance at end of period	4,931	3,681	3,149	11,763	11,144	88,312

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	22,558	21,044	21,818	(17)	65,404
Changes during period					
Dividends of surplus			(424)		(424)
Profit attributable to owners of parent			2,522		2,522
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests					
Net changes in items other than shareholders' equity					
Total changes during period	-	-	2,098	(0)	2,098
Balance at end of period	22,558	21,044	23,917	(17)	67,503

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,931	3,681	3,149	11,763	11,144	88,312
Changes during period						
Dividends of surplus						(424)
Profit attributable to owners of parent						2,522
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						
Net changes in items other than shareholders' equity	2,565	1,943	17	4,526	262	4,789
Total changes during period	2,565	1,943	17	4,526	262	6,887
Balance at end of period	7,497	5,624	3,167	16,289	11,406	95,200

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	818	2,929
Depreciation	1,066	1,006
Impairment losses	321	530
Increase (decrease) in allowance for doubtful accounts	(73)	34
Decrease (increase) in retirement benefit asset	(1,603)	(682)
Increase (decrease) in retirement benefit liability	(197)	21
Increase (decrease) in remeasurements of defined benefit plans	1,684	(84)
Increase (decrease) in provision for bonuses	(31)	4
Interest and dividend income	(906)	(1,085)
Foreign exchange losses (gains)	(315)	(400)
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	(1,945)	(3,661)
Loss of retirement of non-current asset	9	0
Loss on business restructuring	598	71
Gain on reversal of asset retirement obligations	(83)	-
Decrease (increase) in trade receivables	2,978	737
Decrease (increase) in inventories	3,333	2,617
Increase (decrease) in trade payables	(635)	(222)
Increase (decrease) in other liabilities	76	(284)
Loss (gain) on liquidation of subsidiaries and associates	-	(553)
Other, net	287	55
Subtotal	5,384	1,035
Interest and dividends received	812	1,119
Interest paid	(74)	(66)
Loss of business restructuring	(1,132)	(149)
Income taxes paid	(695)	(284)
Income taxes refund	330	116
Net cash provided by (used in) operating activities	4,624	1,770

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(10,610)	(10,448)
Proceeds from withdrawal of time deposits	9,307	10,558
Payments for long-term deposits	(877)	(848)
Proceeds for long-term deposits	-	848
Purchase of property, plant and equipment	(1,084)	(902)
Proceeds from sale of property, plant and equipment	2,364	3,355
Purchase of intangible assets	(80)	(60)
Proceeds from sale of intangible assets	-	143
Purchase of investment securities	(594)	(500)
Proceeds from sale and redemption of investment securities	307	300
Loan advances	(0)	-
Proceeds from collection of loans receivable	0	-
Other, net	(83)	(2)
Net cash provided by (used in) investing activities	(1,351)	2,443
Cash flows from financing activities		
Proceeds from short-term borrowings	587	413
Repayments of short-term borrowings	(620)	(516)
Repayments of lease liabilities	(207)	(178)
Purchase of treasury shares	(0)	(0)
Dividends paid	(213)	(425)
Dividends paid to non-controlling interests	(697)	(127)
Net cash provided by (used in) financing activities	(1,151)	(833)
Effect of exchange rate change on cash and cash equivalents	172	1,290
Net increase (decrease) in cash and cash equivalents	2,293	4,670
Cash and cash equivalents at beginning of period	21,317	23,610
Cash and cash equivalents at end of period	23,610	28,281