

# Summary of Consolidated Financial Results for the Second Quarter of Year Ending March 31, 2026 (2Q FY2026)

Nov 20,2025

Imasen Electric Industrial Co., Ltd.

Tokyo Stock Exchange Standard Market, Nagoya Stock Exchange Premier Market  
Stock code: 7266

- I. Summary of Consolidated Financial Results for  
2Q FY2026
- II. Progress of the Medium-term Management Plan

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## Consolidated financial results for 2Q FY2026

- ▶ **Operating profit: 486 million yen (+924 million yen from the previous period)**

### **Seat and Electrical Equipment Business:**

Increased profits and profitability due to improved profitability and structural reforms.

### **Electronics Business:**

Profit increased due to increased sales in China and Japan.

## Consolidated earnings forecast for FY2026

- ▶ **The full-year forecast remains unchanged from the initial forecast.**

The business is progressing in line with the initial plan, and a review of exchange rate assumptions based on the current situation will be an improvement factor. However, as the impact of semiconductor supply shortages and other factors has been factored in and the outlook for the future remains uncertain, the consolidated business forecast will remain unchanged.

## Reduction of cross-shareholdings

- ▶ **Sales of investment securities**  
(disclosed on Aug 8, 2025)

**Sale details:** 4 listed securities  
**Date of recording gain on sale:** September  
**Gain on sale:** 164 million yen

## Tennessee Plant sold

- ▶ **Transfer and sale of fixed assets**  
(disclosed Feb 7, 2025)

**Sale details:** Land and industrial buildings  
**Date of recording gain on sale:** August  
**Gain on sale:** 826 million yen

(単位：百万円)

	2Q FY2025 Result	2Q FY2026 Result	Difference	Change
<b>Net sales</b>	46,519	<b>42,562</b>	-3,957	-8.5%
<b>Operating profit</b>	-437	<b>486</b>	924	-
<b>Ordinary profit</b>	-252	<b>396</b>	649	-
<b>Profit attributable to owners of parent</b>	1,821	<b>989</b>	-831 <sup>*</sup>	-45.7%

\* In the fiscal year ending September 2024, we recorded a gain on the sale of investment securities of 3,515 million yen, and in the fiscal year ending September 2025, we recorded a gain on the sale of the Tennessee Plant of 826 million yen and a gain on the sale of investment securities of 164 million yen.

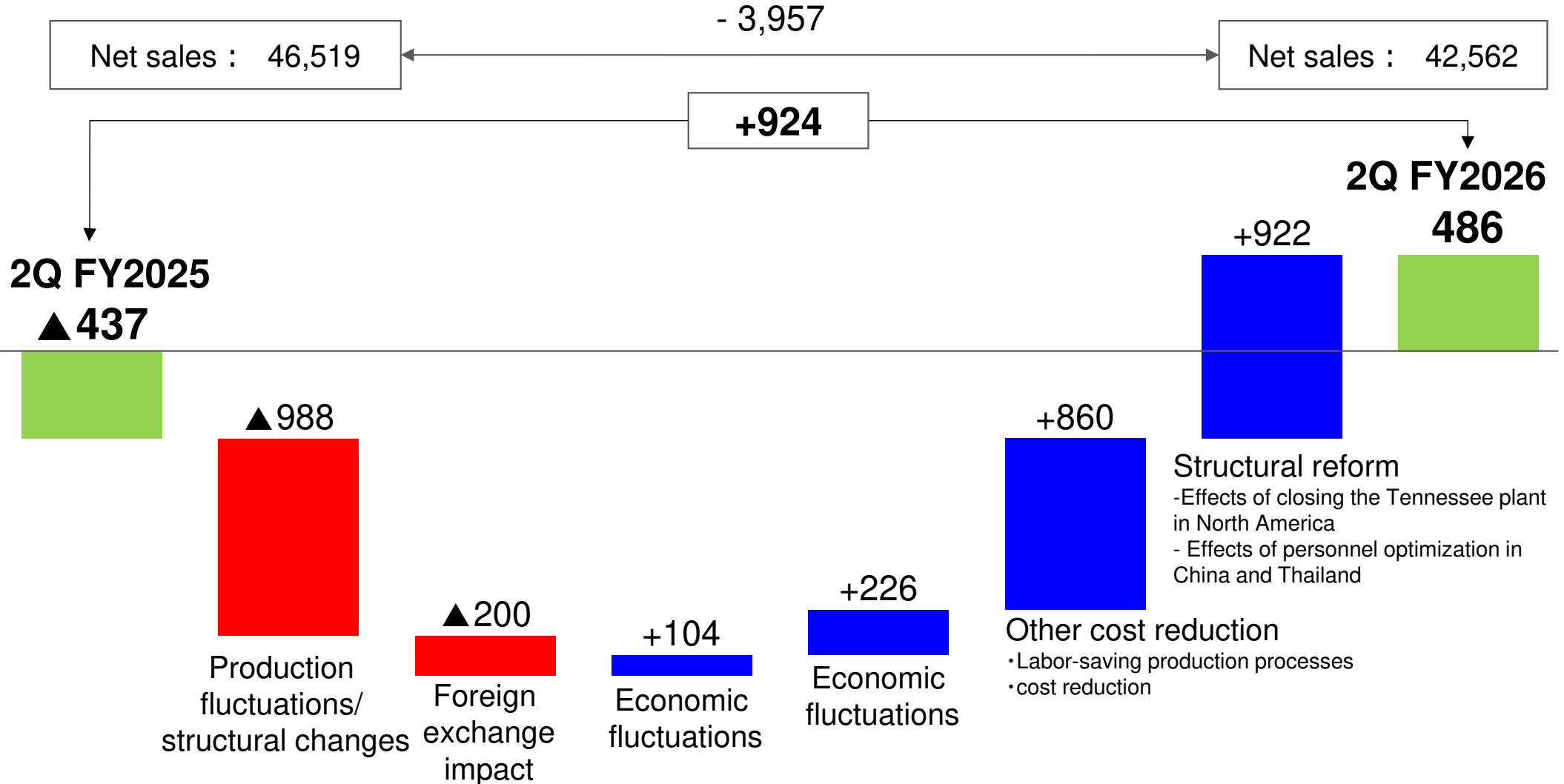
Exchange rates	2Q FY2025	2Q FY2026	2Q FY2026
	Average rates	Disclosed expected rates	Average
USD	152.36 yen	140.00 yen	146.02 yen
CNY	21.07 yen	19.00 yen	20.29 yen
THB	4.21 yen	4.20 yen	4.46 yen

\* Starting this fiscal period, due to the unification of the fiscal year-end for overseas subsidiaries, results for January-March are recorded in FY2025 and results for April-June are recorded in FY2026.

# 2Q FY2026 Operating Profit

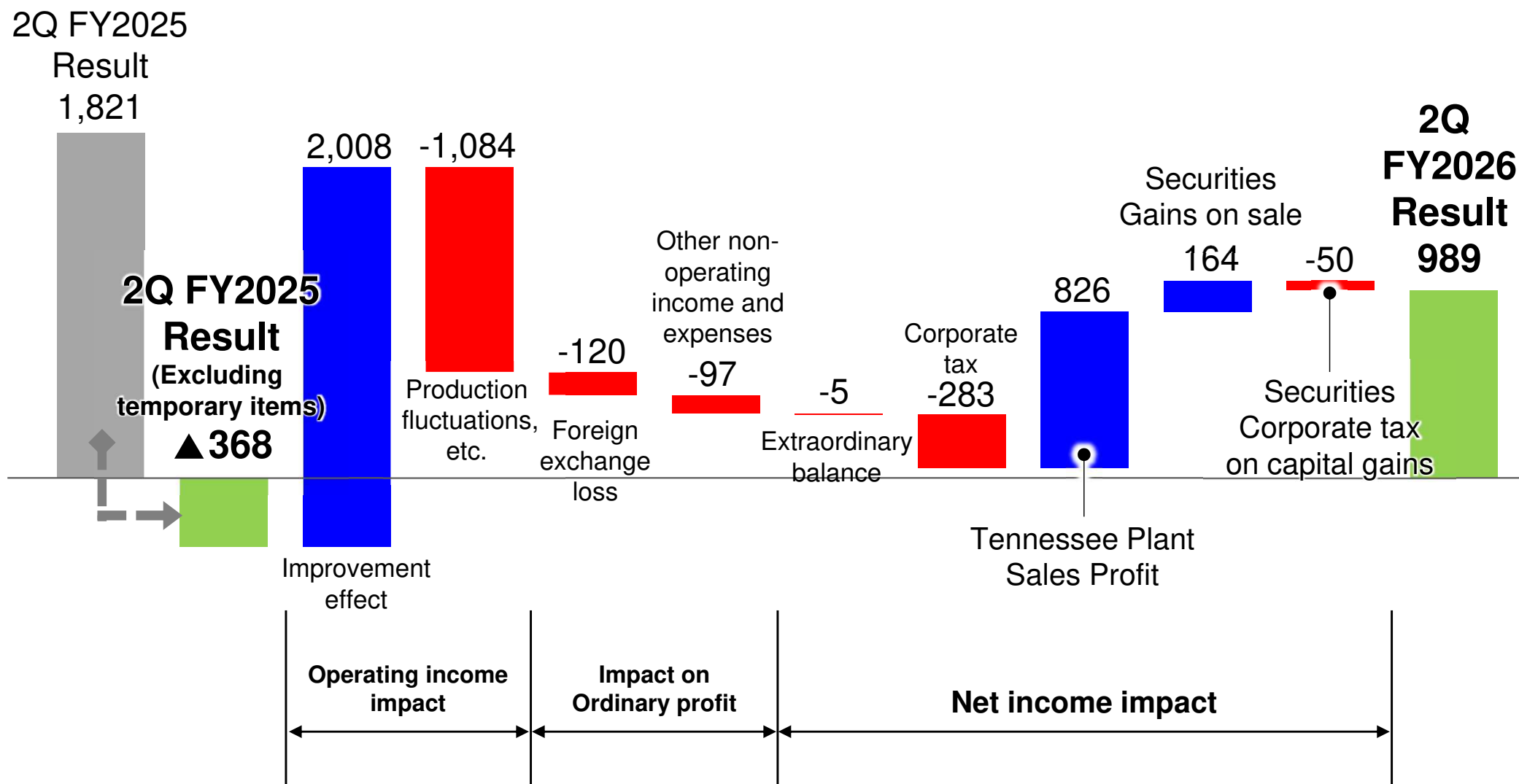
(Foreign exchange impact -545)  
 (Production fluctuations -3,412)

Unit: Million yen



Despite the impact of decreased sales, profits increased due to the effects of structural reforms and cost reduction activities.

Unit: Million yen

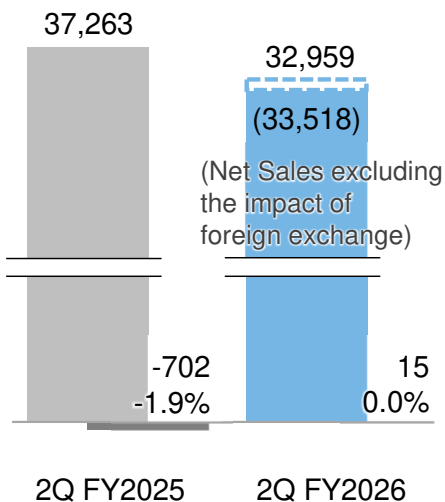


Compared to the previous fiscal year's results, excluding temporary factors, the actual net profit figure improved due to factors that improved operating profit.

[ Year on Year ]

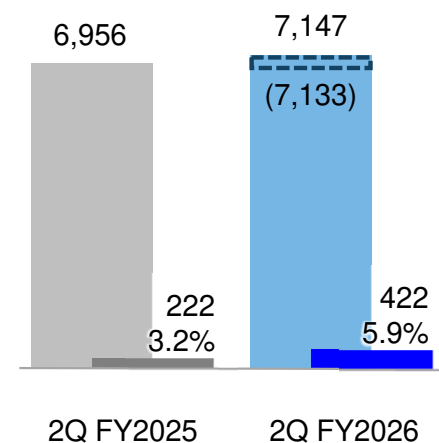
(Unit: Million yen)

## Seat and Electrical Equipment Business



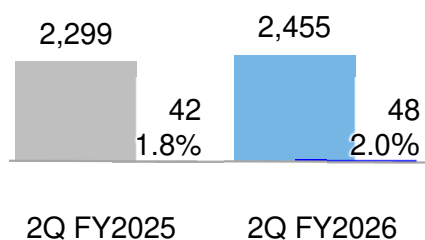
<b>Net sales</b>	<b>-4,304 (-11.6%)</b>
Sales decreased due to reduced production in China and Thailand and the end of production of end-of-life models.	
<b>Operating profit</b>	<b>+718 (Turning a profit)</b>
Although sales were affected by the decline, the company was able to return to profitability thanks to <b>the effects of structural reforms</b> and cost reduction activities.	
Exchange rate impact	
Revenue	-559
Operating profit	-8

## Electronics Business



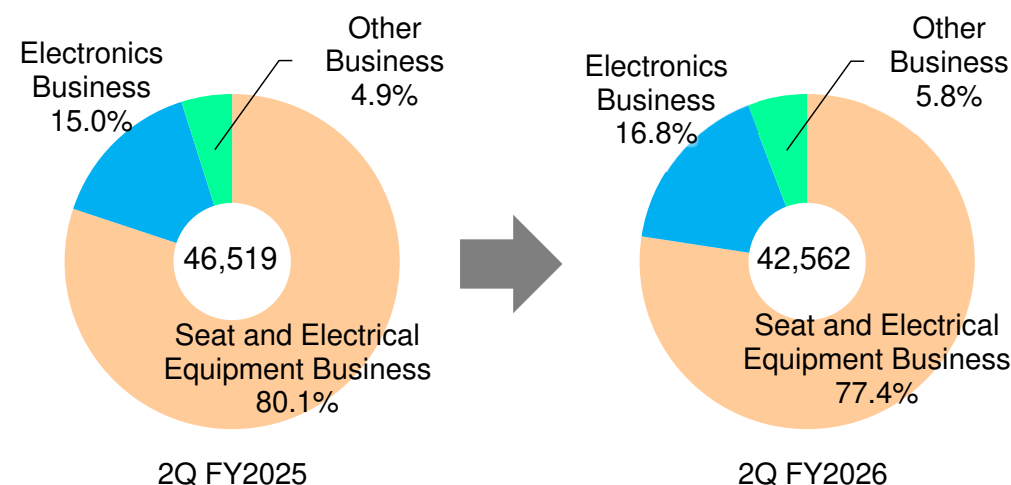
<b>Net sales</b>	<b>+191 (+2.7%)</b>
Revenue increased due to <b>the start of deliveries to new customers</b> .	
<b>Operating profit</b>	<b>+199 (+89.9%)</b>
Profit increased due to the impact of increased sales and the recovery of past development costs.	
Exchange rate impact	
Revenue	+14
Operating profit	+5

## Other Business



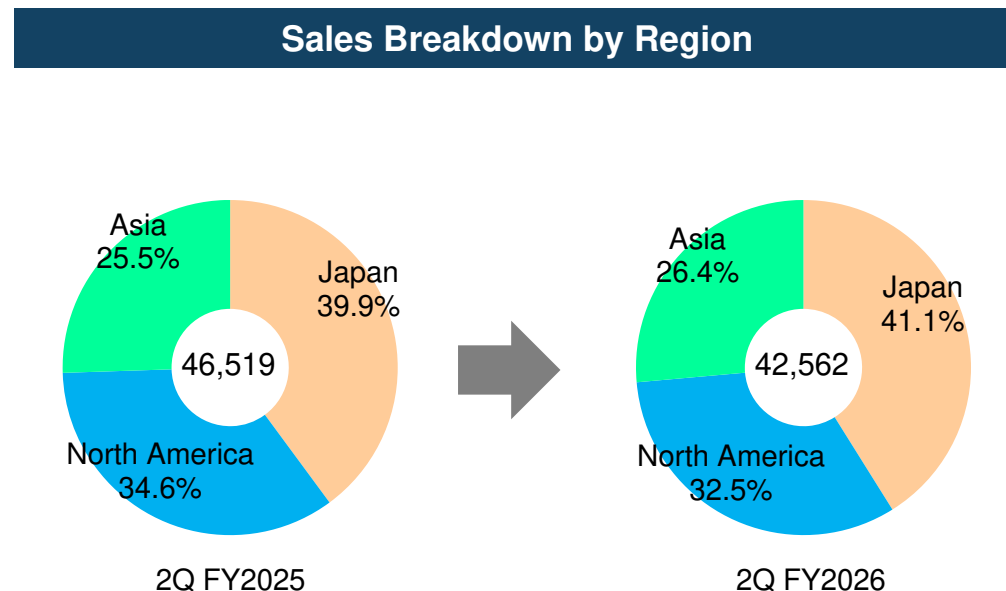
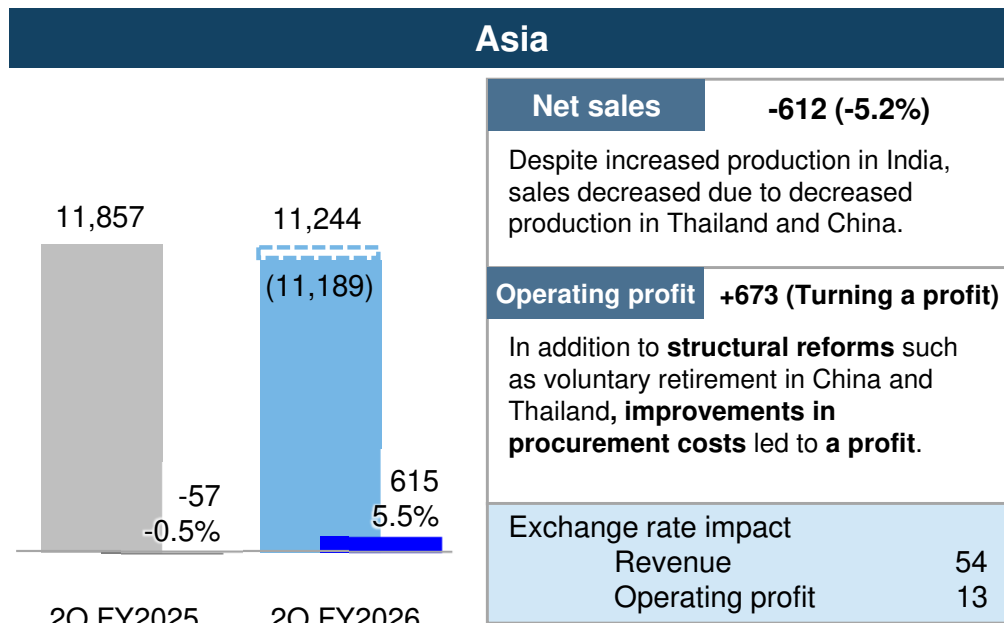
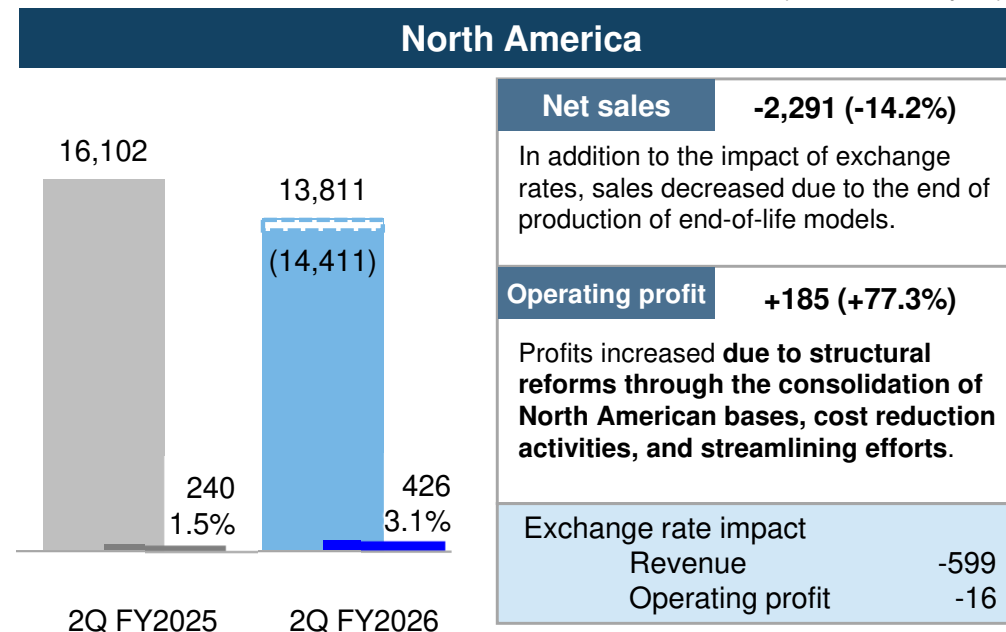
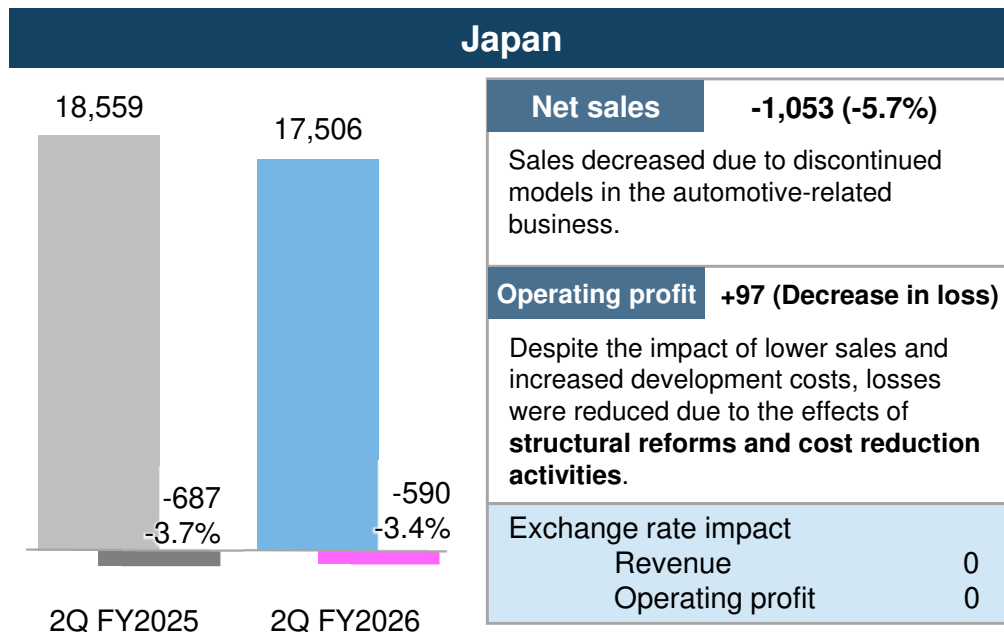
<b>Net sales</b>	<b>+155 (+6.8%)</b>
Revenue increased due to an increase in orders for the wire harness business.	
<b>Operating profit</b>	<b>+6 (+14.8%)</b>
Although there was an impact from increased sales, the results remained flat due to the upfront costs of <b>new product development</b> .	
Exchange rate impact	
Revenue	0
Operating profit	0

## Sales Breakdown by Business



[ Year on Year ]

(Unit: Million yen)



(Unit: Million yen)

## Capital investment

	2Q FY2025	2Q FY2026	Difference
Japan	646	770	124
North America	312	792	479
Asia	948	195	-752
<b>Total</b>	<b>1,907</b>	<b>1,758</b>	<b>-148</b>

\*From January to March 2025, we invested 599 million yen in North America and 325 million yen in Asia.

## Depreciation

	2Q FY2025	2Q FY2026	Difference
Japan	688	762	73
North America	238	211	-27
Asia	562	515	-47
<b>Total</b>	<b>1,490</b>	<b>1,488</b>	<b>-2</b>

### <Major investments during the period>

#### -Japan (Corporate Strengthening)

Preparing for the launch of inverter products in the electronics business. Investments to expand production capacity for new vehicle models. Investments related to domestic restructuring and rationalization.

#### -North America (New Launch/Streamlining)

Response to new model launches and rationalization, Investment accompanying production capacity expansion

#### -Asia

Preparation for the launch of new vehicle models in India and investment to expand production capacity were brought forward to January-March, resulting in a decrease in the quarter.

#### -Japan

Increased due to the high-efficiency production line for seat manufacturing introduced in the previous term and the multi-product automated production line (multi-line) for electronic product manufacturing.

#### -North America

Depreciation expenses decreased following the closure of the Tennessee plant.

#### -Asia

Although there was an increase in India, depreciation expenses decreased in Thailand and China.

**The full-year forecast remains unchanged from the initial forecast, with only the assumed exchange rate revised.**

(Unit: Million yen)

\*Disclosed on May 14, 2025

	<b>FY2025</b>	<b>FY2026 (Forecasts)</b>	<b>Difference</b>	<b>Change</b>
<b>Net sales</b>	94,341	<b>90,000</b>	-4,341	-4.6%
<b>Operating profit</b>	393	<b>1,200</b>	+806	+204.9%
<b>Ordinary profit</b>	511	<b>1,200</b>	+688	+134.5%
<b>Profit attributable to owners of parent</b>	2,084	<b>1,350</b>	-734	-35.2%

Exchange rates	FY2025	FY2026	FY2026
	Average rates	Initial forecast rate	Rates for the Second Half
USD	151.69 yen	140.00 yen	<b>145.00 yen</b>
CNY	21.04 yen	19.00 yen	<b>20.50 yen</b>
THB	4.30 yen	4.20 yen	<b>4.50 yen</b>

Starting from this fiscal year, we have unified the fiscal year endings of our overseas subsidiaries, so FY2025 will run from January to December 2025, and FY2026 will run from April 2025 to March 2026.

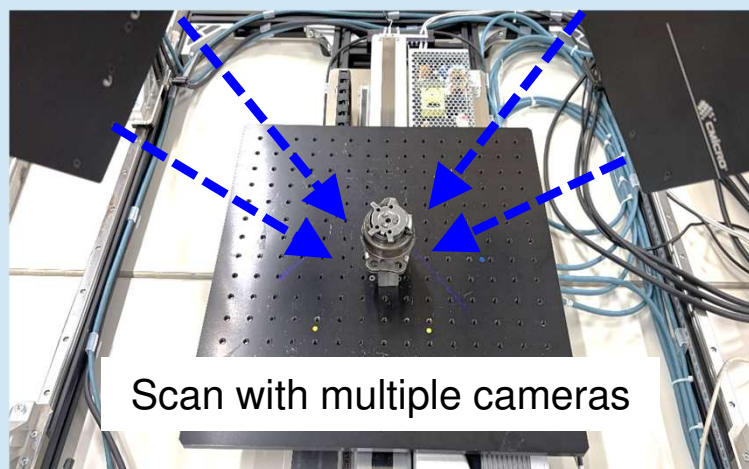
Although a review of exchange rate assumptions will be an improvement factor, the consolidated earnings forecast remains unchanged due to the uncertainty of the future outlook, including the impact of semiconductor supply shortages.

# Practical application of 3D Inspection Systems

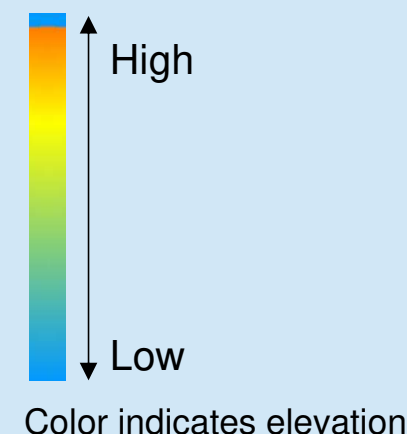
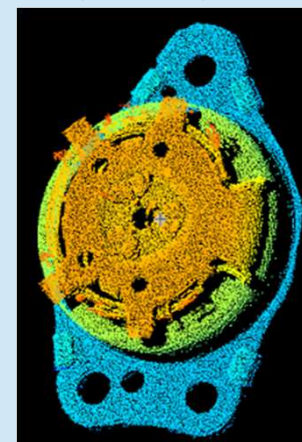
We are considering utilizing our subsidiary's **3D camera technology and image processing technology** to streamline our domestic and overseas production bases.

## 3D Inspection System Overview

- The 3D camera software developed by subsidiary CMICRO Corp. enables **accurate measurement and inspection of even complex shapes**.
- Patented calibration technology automatically synthesizes data from multiple freely positioned 3D cameras, enabling **inspection without blind spots**.



Measurement example of an object with a complex shape



**Accurate measurement/inspection technology enables us to measure the volume of even complex-shaped objects and detect defects such as dents and shape abnormalities.**

**This inspection system has been commercialized and is currently being considered for adoption by car manufacturers through external sales.**

**Utilizing the Group's proprietary technologies to realize smart factories.**

## Exhibiting at 'Nagoya Stock Exchange IR Expo 2025' (a corporate exhibition for individual investors)

As part of our PR efforts for individual investors, we exhibited at the 'IR Expo 2025' again this year, hosted by the Nagoya Stock Exchange.



Nagoya Stock Exchange IR Expo 2025  
Sep 2025  
Number of visitors: 10,000  
Number of visitors to our booth: Approximately 500

Our Medium- and Long-term Management Plan and shareholder return initiatives have been highly praised by many people.



We are working to further increase our name recognition and promote our company as an investment target.

## Introduction of a shareholder benefit program

We have decided to introduce the **‘IMASEN Premium Benefit Club’** a shareholder benefit program, to express our gratitude to our shareholders for their ongoing support, increase the investment appeal of our shares, and encourage more shareholders to hold our shares for the long term.

(Announced Aug 27, 2025)



### Eligibility Requirements

- Rights vesting month: March (effective from Mar 2026)
- Hold 300 or more shares for at least six months

Shareholder benefits points will be awarded according to the number of shares held and the period of time held.  
(Long-term ownership benefits available)

You can exchange your points for your favorite products from over 5,000 types of special offers, including gourmet food, fine sake, home appliances, and experience gifts.



5,000pt



30,000pt

\*Example of product

**IMASEN website  
shareholder benefits page (JP)**

<https://www.imasen.co.jp/ir/share/benefits/>



In response to requests from shareholders/investors, we have introduced a shareholder benefit program.

- I. Summary of Consolidated Financial Results for  
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Corporate goal for the medium term:

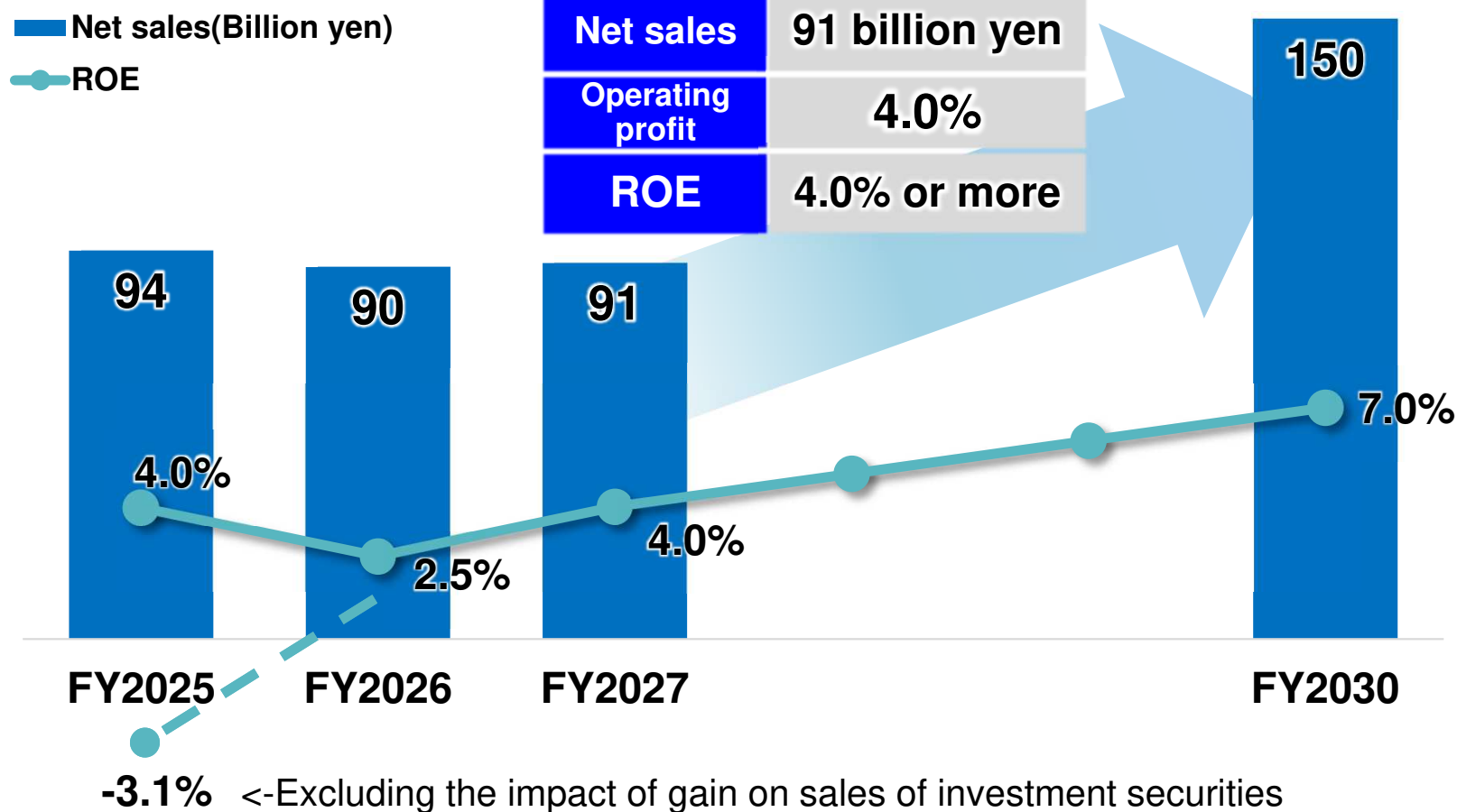
## Performance recovery and business growth

FY2030 long-term targets

Net sales	150 billion yen
Operating profit	6.0%
ROE	7.0% or more

FY2027 medium-term revenue targets

Net sales	91 billion yen
Operating profit	4.0%
ROE	4.0% or more



We are developing Nine Priority Measures to realize our mid-term and long-term goals.

## Order acquisition status

➤ Number of orders received up to the 2Q

**Winning orders** through proactive sales activities to customers.

	Number of car models	Number of products	Remarks
Seat	3 car models	6 products	Acquire the next model following the current model: 4 products
			New car models: 2 products
Electronics	3 car models	7 products	Acquire the next model following the current model: 4 products
			New car models: 3 products

### Our main products and their features

Seat Adjuster



The rail cross section is one of the smallest in the world. Contributes to weight reduction and greater layout flexibility.

### Integrated ECU etc.



An electronic component that controls multiple in-vehicle functions. Function integration contributes to space savings and cost reductions.

Orders for both sheet products and electronic products are on track with plans.

\*Items in blue will be explained on the following pages.

## Nine Priority Measures

- 1 Accelerating decision-making and promoting the delegation of authority
- 2 Strengthening sales functions
- 3 Strengthening competitiveness beyond that of mega-suppliers
- 4 Strengthening profits through restructuring in North America and China
- 5 Improve material cost ratios by restructuring procurement structure
- 6 Reconstruction of earning power
- 7 Capital policy that takes into account ROE and capital costs
- 8 Future product development through group synergy
- 9 Promoting ESG management

- Promote nine priority measures.
- Respond to environmental changes and issues.

## Major business issues

- Respond to changes in the external environment, such as the U.S. tariff policies.
- Production decline due to semiconductor supply issues
- China's rare earth export restrictions lead to a decline in production
- Respond to the uncertain Chinese market.
- Realize further production boosts in the Indian market.
- Reconstruct the earning power of domestic operations.
- Achieve further sales expansion to achieve long-term targets.

## Additional major enhancement measures

- 1 Acceleration of the business decision-making process by raising the percentage of outside directors
- 2 Global sales expansion activities in cooperation with TS TECH
- 3 Increase of capital investments in Indian bases  
Mass production for new OEM customers, and expansion of electronics sales
- 4 **Investment for enhancing competitive positions in North America**  
Expansion of the Ohio Plant, and promotion of local production and consumption
- 5 **Chinese base optimization, and promotion of local production and consumption**
- 5 Cost competitiveness enhancement by improving “specifications,” “workmanship,” and “procurement”
- 6 **Japanese base optimization**  
**Actions and resource optimization to expand the electronics business**
- 7 Acquisition and cancellation of treasury stocks, and proactive IR activities
- 8 Promotion of “smart Plant,” “new vehicle interior space,” and “personal mobility” development under synergistic projects
- 9 Improving the EcoVadis rating, and human capital initiatives

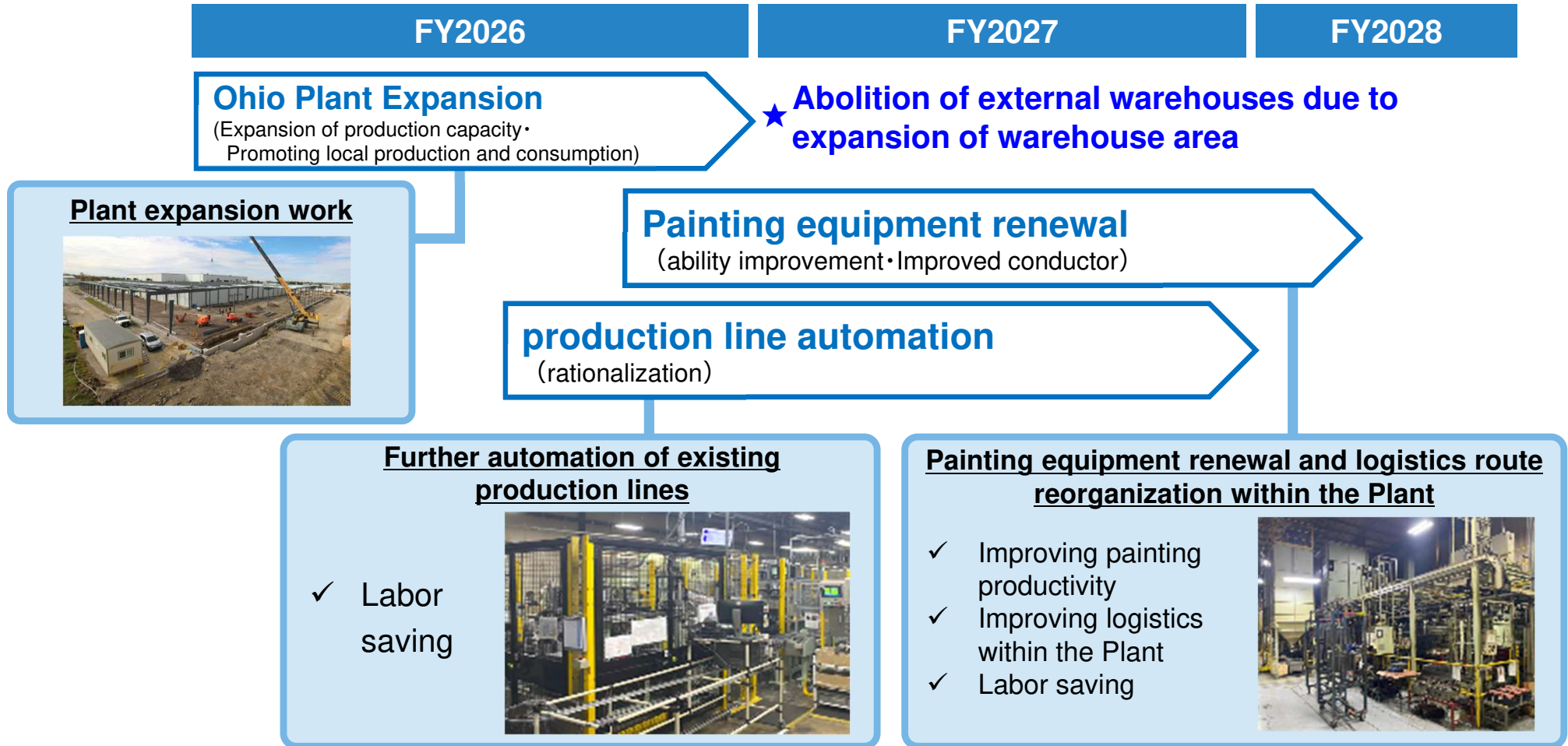
**We will continue to advance our nine key initiatives and step them up in response to changes in the environment.**



# 1) Strengthening the structure of North American bases

## ➤ Active investment for business growth

Approximately 1.7 billion yen is planned to be invested in the medium term to accommodate local procurement, rationalization, automation, and future increases in orders.



Strengthening our business structure through proactive investments aimed at business growth.

## 2) Developing a system to match demand trends in the Chinese market

### ➤ Strengthening production system at Wuhan Plant

Currently transferring production of core parts (gearboxes) from the Guangzhou plant to the Wuhan plant

Expanded in 2023



Press Equipment

Already introduced in 2023

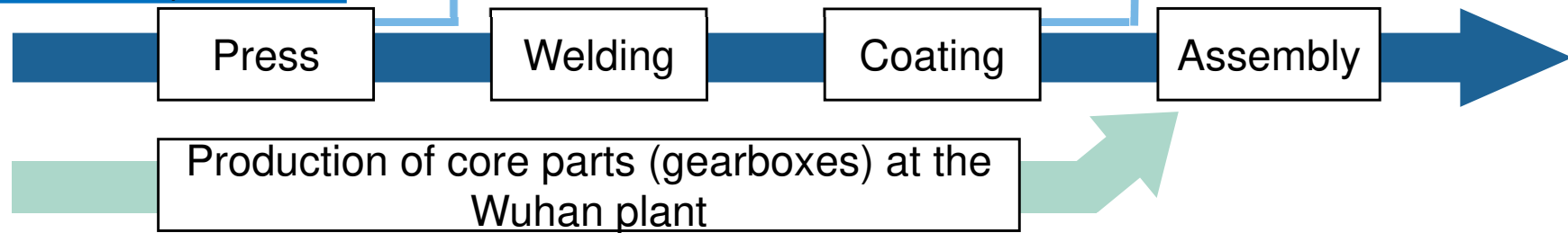


Painting Equipment

**What is a gearbox?**

Parts with mechanisms to change the motor's rotation shaft and rotation speed

### Integrated production system



### Strengthening production systems for core parts production

#### 1. Use of locally sourced materials (July 2025)

Localization of procurement enhances cost competitiveness and reduces supply chain risks



#### 2. Change of production Plant (Second half of 2025-)

By transferring production to the Wuhan Plant where wages are low, the company aims to reduce costs and strengthen its cost competitiveness.



Promoting the creation of an optimal production system to respond to changes in the Chinese market.

### 3) Optimizing domestic bases

#### ➤ Overview of Plant reorganization

- Consolidated electrical component **manufacturing at Gifu Plant**
- **Closed** the Harusato and Kani factories.
- The surplus space at the Okayama Plant will be utilized for the future **expansion of electronic product production.**

Plant restructuring is proceeding as planned, with completion planned for FY2027

#### ➤ Active investment with a focus on rebuilding earnings power

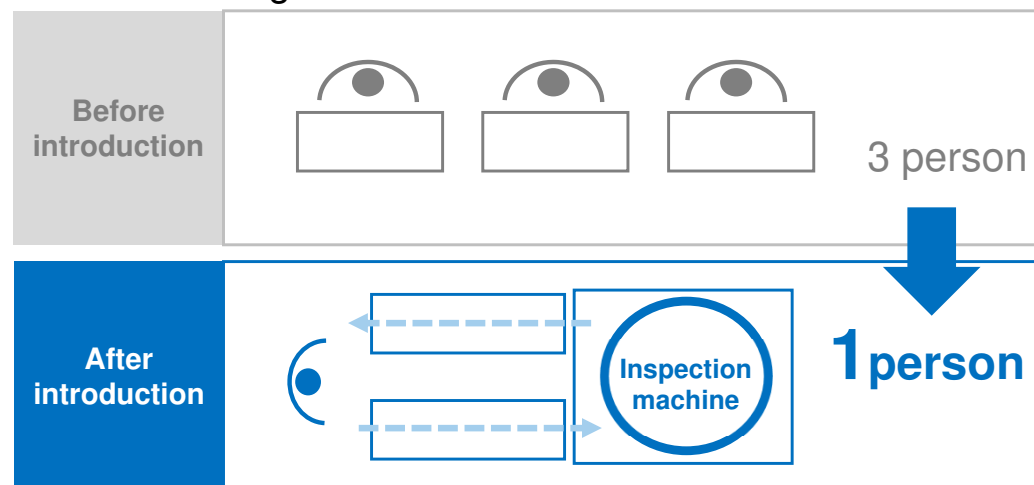
At the Gifu Plant, where the work is to be consolidated, we will actively promote rationalization investments and aim to improve competitiveness through automation and labor-saving measures.

#### Gifu Plant - Automatic inspection machine installed



Cameras automatically detect paint scratches, unevenness, and paint pools on parts

【line configuration】



Plant reorganization is being carried out in a planned manner, and active rationalization investments are being made at the new bases.

## 4) Responding to the expansion of electronics business

### ➤ Introduction of Multiline No. 2

At our Hiroshima Plant, we have integrated our existing cell production lines and introduced a second multi-line machine, which makes it possible to produce a wide variety of products on the same line.

- ✓ Automation
- ✓ Labor saving

Processing cost reduction  
Defect reduction



This will lead to the creation of space and improved production technology for building a production system for future inverter products.



Multiline

Hiroshima Plant  
(Inverter line installation space)



Increased capital investment in preparation for growth in the electronics business.

## Major initiatives to achieve management that takes capital costs and stock prices into consideration

(Apr. 2024 - the end of Sep. 2025)

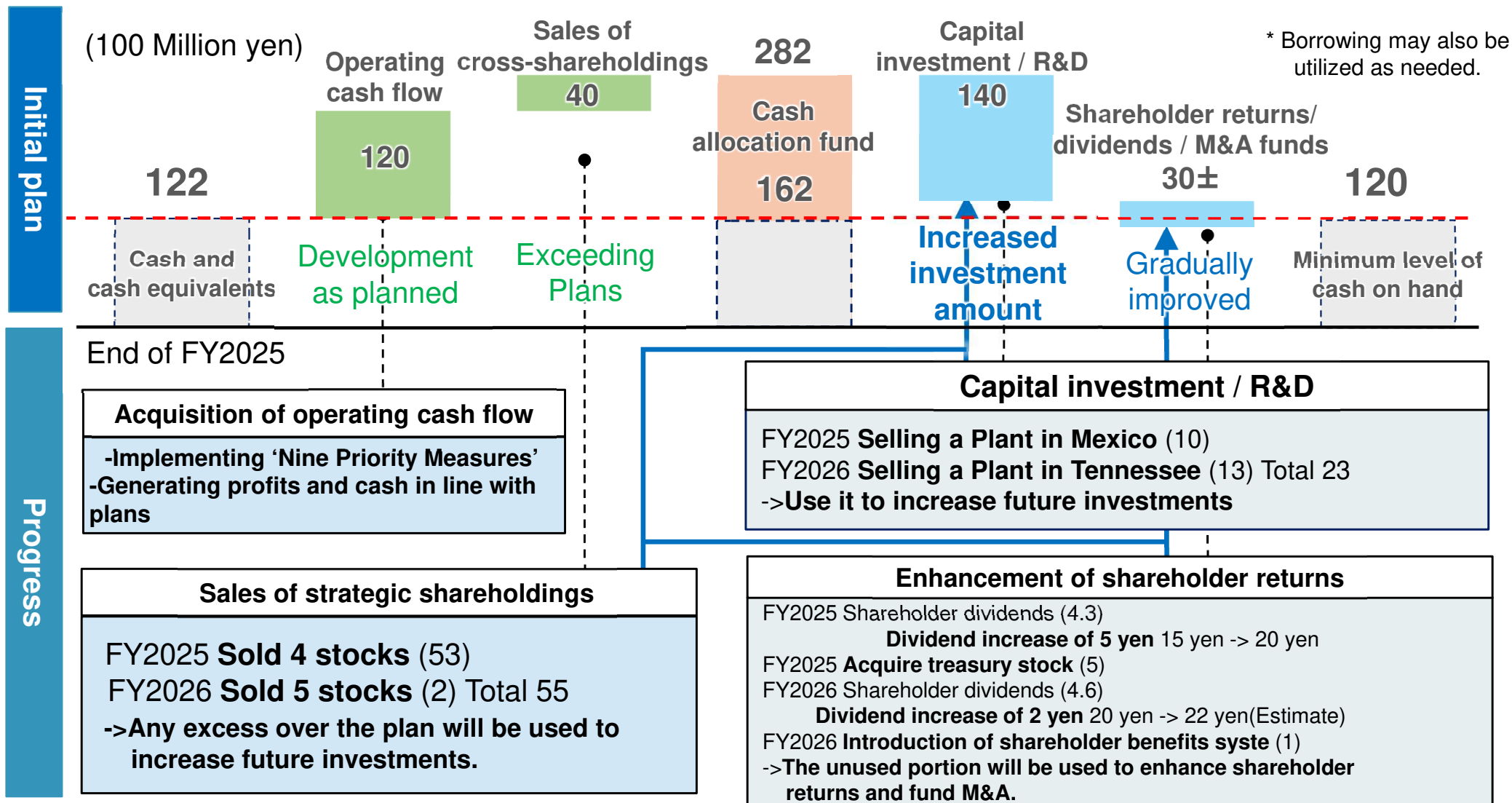
Response policy	Summary of initiatives
Improving profitability	Revised Medium- to Long-term Management Plan for FY2025, <b>implementing Nine Priority Measures</b>
<b>Reduction of cross-shareholdings</b>	After verifying the effectiveness of strategic shareholdings, we will determine whether or not to continue holding them and <b>promote their reduction.</b>
Selling idle assets and making effective use of assets	In order to improve asset efficiency through the effective use of management resources, <b>we have completed the sale of our Mexico and Tennessee plants.</b>
Strengthening capital investment and development investment	<b>The company will invest a total of 5.8 billion yen in capital investments,</b> including launching new products at global bases, expanding production capacity, restructuring domestic factories, and streamlining investments.
<b>Improving shareholder returns</b>	Nov. 2024: <b>Dividend policy review</b> Dec. 2024: <b>Decision to increase dividend by 5 yen</b> Feb. 2025: <b>Decision to acquire and cancel treasury stock</b> Aug. 2025: <b>Decision to increase dividend by 2 yen</b> Aug. 2025: <b>Implementing a shareholder benefit program</b>
<b>Strengthening IR activities</b>	<ul style="list-style-type: none"> <li>• <b>Hold quarterly</b> financial results briefings (from twice a year to four times a year)</li> <li>• <b>Exhibit at the Nagoya Stock Exchange IR Expo</b></li> <li>• <b>Plan to hold briefings for individual investors twice a year</b> (starting in FY2026)</li> </ul>

Initiatives are proceeding as planned

## ■ Cash allocation aimed at growth

FY2025 - FY2027

By ensuring a recovery in business performance, we aim to raise funds, invest in business growth, and improve shareholder returns.



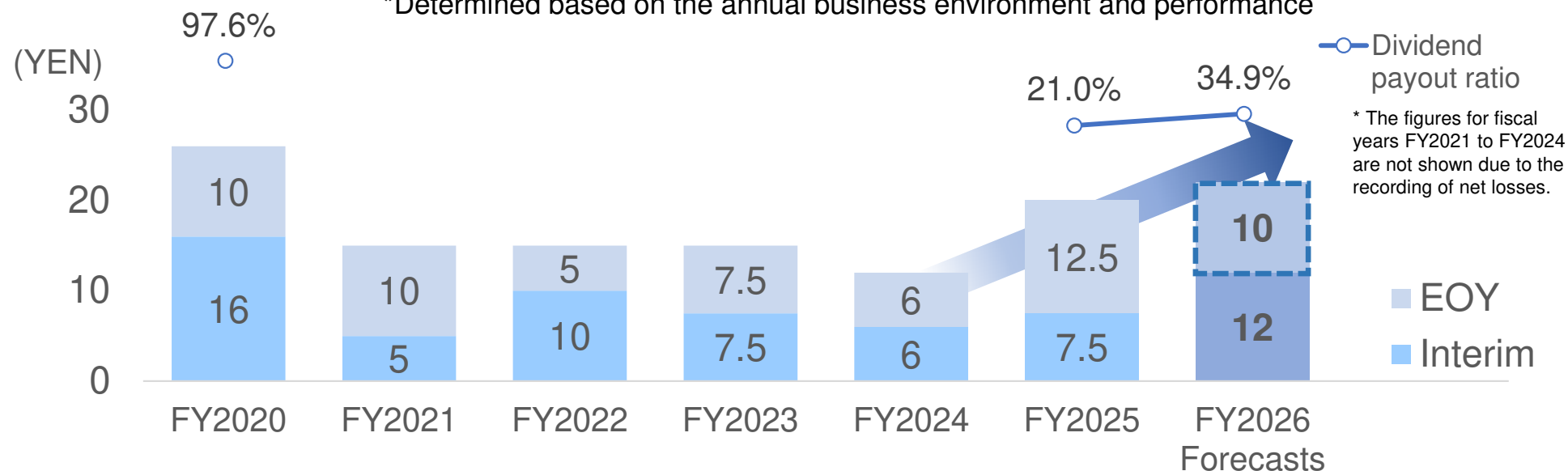
We are promoting investment and shareholder return measures by allocating funds as planned.

## ■ Shareholder returns

### ➤ Stock dividends

- [Dividend Policy] - **Stable dividend increase** in proportion to business recovery  
 - Target dividend payout ratio: **30%**

\*Determined based on the annual business environment and performance



### ➤ Acquisition and cancellation of treasury stocks

We decided to acquire and cancel treasury stocks to further increase shareholder returns and improve capital efficiency.

Acquisition	Quantity: <b>700,000 shares</b> (max) Total acquisition cost: <b>500 million yen</b> (max) Acquisition period: <b>Feb. 10, 2025 – Feb. 6, 2026</b>
Cancellation	Quantity: <b>700,000 shares</b> (max) Scheduled cancellation date: <b>Feb. 27, 2026</b>

Progress (as of end of Oct. 2025)	
Number of acquired shares	613,600 shares
Acquisition cost	417 million yen

Increase the level of shareholder returns depending on the progress of business performance against disclosed plans.

## ■ Enhancement of IR activities

Strengthening IR activities to communicate with investors

### **Nagoya Stock Exchange IR Seminar in Tokyo (Held on May 22, 2025)**

Approximately 300 individual investors attended the event.

In addition to a Q&A session at the venue, approximately 200 people provided their opinions via a questionnaire.



### **Nagoya Stock Exchange IR Expo (Held on Sep 5-6, 2025)**

Over 500 individual investors visited our booth. We had the opportunity to interact with many of them and received their opinions through questionnaires, etc.

### **Holding of financial results briefings (changed from semi-annual to quarterly)**

In order to foster dialogue with institutional investors, as in last year, we are holding quarterly financial results briefings in a hybrid format, utilizing online venues.

**We will reflect the opinions of our investors in our future IR activities.**

## IR calendar

**New** indicates initiatives launched in the current fiscal year.

\* Dates and locations are subject to change.

### 2025

**New**

December 5th Briefing for individual investors  
(Live streaming, On-demand delivery)

### 2026

Early February Financial results announcement for FY2026 3Q

Mid February Financial results briefing for FY2026 3Q  
at Securities Analysts Association of Japan meeting room (Tokyo)

Early May Financial results announcement for FY2026

Mid May Financial results briefing for FY2026  
at Securities Analysts Association of Japan meeting room (Tokyo)

From FY2025: Hold quarterly financial results briefings four times a year.

**From FY2026: Hold briefings for individual investors twice a year, in May and December.**

# Creating the future of mobile space

## *Challenge by New Imasen*

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