

ARCHION Announces FY2026 Financial Forecast and Hino Motors' FY2025 Results

ARCHION Corporation (Headquarters: Shinagawa-ku, Tokyo; President & Chief Executive Officer: Karl Deppen, hereinafter ARCHION) announced the consolidated financial forecast for FY2026, alongside the FY2025 financial results of Hino Motors, Ltd. (President & CEO: Satyakam Arya; hereinafter "Hino").

■ ARCHION FY2026 Consolidated Financial Forecast <International Financial Reporting Standards (IFRS)>

The consolidated earnings forecast indicates that ARCHION commenced operations on April 1, 2026 with a solid balance sheet and a sound financial foundation. Global unit sales is projected to reach approximately 230,000 units, driven by increased sales in Japan and Southeast Asian markets, while revenue is expected to total JPY 2,425 billion. In spite of a challenging economic environment, the operating profit is forecast at JPY 110 billion, driven by sales expansion, efficiency improvements, and the impact of foreign exchange. This represents an increase of more than 50% compared with the pro forma*¹ consolidated results for FY2025, after reflecting various adjustments related to the business integration, with the return on sales expected to reach 4.5%. This underscores ARCHION's commitment to achieving profitable growth. Net income attributable to owners of the parent for FY2026 is projected at JPY 70 billion, due to the impact of deferred tax assets recognized in the previous fiscal year. FY2025 net income attributable to owners of the parent included one-time extra ordinary gain from the recognition of deferred tax assets.

In addition, as a demonstration of its commitment to delivering shareholder returns from its first fiscal year of establishment, ARCHION plans to pay a dividend of JPY 8 per share.

| | FY2025 Consolidated Results (Pro Forma)*^{1,2,3} | FY2026 Consolidated Forecast *^{4,5} | Change (%) |
|--|---|---|-------------------------------|
| Unit Sales (Group Sales)*⁶ | 218,000 units | 230,000 units | +12,000 units (+6%) |
| Revenue | JPY 2,246.0 billion | JPY 2,425.0 billion | +JPY 179.0 billion (+8.0%) |
| Operating Profit | JPY 72.5 billion | JPY 110.0 billion | +JPY 37.5 billion (+52%) |
| Return on Sales | 3.2% | 4.5% | +1.3 pts |
| Net income attributable to owners of the parent | JPY 1,14.5 billion | JPY 70.0 billion | -JPY 44.5 billion (-39%) |
| Dividend | - | JPY 8 per share | |

*1: Pro forma: combined figures for Hino and Mitsubishi Fuso, adjusted based on specific assumptions and conditions

*2: Major adjustments related to the management integration

- Conversion of Hino's FY 2025 financial information: transition from Japanese GAAP (J-GAAP) to International Financial Reporting Standards (IFRS)

- Conversion of Mitsubishi Fuso’s CY 2025 financial information to FY 2025 (April 2025 to March 2026)
- Decrease in revenue and operating profit associated with the transfer of Hino’s Hamura Plant operations to Toyota Motor Corporation
- Decrease in revenue and operating profit associated with the transfer of selected Hino domestic sales companies to Hotai Motor Co., Ltd.
- Purchase price allocation and other adjustment

*3: The extraordinary loss of JPY 36.9 billion related to Hino’s North American certification issues is excluded as a one-off factor. Operating profit excluding such factor was JPY 35.6 billion.

*4: As stated in the “Notice Regarding Voluntary Adoption of International Financial Reporting Standards (IFRS)” announced on April 1, 2026, the company has voluntarily adopted International Financial Reporting Standards (hereinafter “IFRS”) for its financial statements for the fiscal year ending March 2027. These full-year financial forecasts are based on IFRS.

*5: We anticipate recognizing a gain on negative goodwill for the fiscal year ending March 2027; however, as this is currently under review, it is not included in these full-year financial forecasts.

*6: Unit sales: Vehicle sales (including KD kits) to customers outside of the consolidated ARCHION Group, after elimination of all intercompany transactions.

■ Hino Motors FY2025 Consolidated Results <Japanese Accounting Standards (J-GAAP)>

Global unit sales of new vehicles of Hino-branded trucks and buses totaled 108,611 units, representing a 13.1% year-on-year decrease, primarily due to delays in the model transition of light-duty trucks in Japan and sluggish demand in key overseas markets. Revenue declined by 7.8% year-on-year to JPY 1,565.3 billion. On the earnings side, operating profit increased significantly by 42.7% year-on-year to JPY 82.1 billion, driven mainly by fixed cost reductions and improved pricing. Reflecting a steady enhancement of earnings capability, the return on sales reached 5.2%. Net income attributable to owners of the parent rose substantially by 138.7% year-on-year to ¥84.4 billion, supported not only by the resolution of losses related to North American certification recorded in the previous year, but also by the recognition of deferred tax assets based on improved earnings outlook and future taxable income projections.

Hino Motors Consolidated Financial Summary

| | FY2024 Results | FY2025 Results | Change |
|--|---------------------|---------------------|------------------------------|
| Global Unit Sales (Retail Sales) | 125,048 units | 108,611 units | -16,437 units (-13.1%) |
| Revenue | JPY 1,697.2 billion | JPY 1,565.3 billion | -JPY 131.9 billion (-7.8%) |
| Operating profit | JPY 57.5 billion | JPY 82.1 billion | +JPY 24.6 billion (+42.7%) |
| Return on Sales | 3.4% | 5.2% | +1.8% |
| Net income attributable to owners of the parent | -JPY 217.8 billion | JPY 84.4 billion | +JPY 302.2 billion (+138.7%) |

Return on Sales is calculated as operating profit divided by revenue (IFRS)

<Reference> **Mitsubishi Fuso FY2025 Results** <International Financial Reporting Standards (IFRS)>

| | FY2025 Results |
|--|-----------------------|
| Revenue | 838.7 billion JPY |
| Operating profit | 28.1 billion JPY |
| Return on Sales | 3.4% |
| Net income attributable to owners of the parent | 19.9 billion JPY |

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