



Consolidated Basis Results of the First Quarter for FY2025 (April 1, 2025 - June 30, 2025)

August 5, 2025

Registered Company name: TOPY INDUSTRIES, LIMITED Stock listing: Tokyo, Nagoya stock exchanges
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 Scheduled date for dividend payment: —
 Preparation of supplementary materials: YES
 Holding of financial results meeting: No

(Figures of less than ¥1 million have been omitted)

1. Consolidated Financial and Operating Results of the First Quarter for Fiscal 2025 (April 1, 2025 - June 30, 2025)

(1) Consolidated Operating Results (Cumulative)

(Percentage figures are changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Quarter of Fiscal 2025	71,213	(3.3)	1,603	—	1,672	22.6	1,007	38.8
First Quarter of Fiscal 2024	73,636	(9.7)	135	(91.3)	1,364	(42.2)	725	(58.2)

(Note) Comprehensive income: First Quarter of Fiscal 2025 ¥(1,628) million —%
 First Quarter of Fiscal 2024 ¥1,857 million (63.7)%

	Profit per share	Profit per share after full dilution
	Yen	Yen
First Quarter of Fiscal 2025	45.66	—
First Quarter of Fiscal 2024	31.77	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
First Quarter of Fiscal 2025	268,602	133,470	49.2	5,9989.31
Fiscal 2024	281,751	136,713	48.0	6,133.88

(For reference) Shareholders' equity: First Quarter of Fiscal 2025 ¥132,088 million
 Fiscal 2024 ¥135,278 million

2. Dividends

	Dividends per share				
	1Q-end	2Q-end	3Q-end	End of FY	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2024	—	30.00	—	73.00	103.00
Fiscal 2025	—				
Fiscal 2025 (Forecasts)		40.00	—	90.00	130.00

(Note) Whether changes to the latest dividend forecasts have been made: None

3. Consolidated Financial Forecasts for Fiscal 2025 (April 1, 2025- March 31, 2026)

(Percentage figures are changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half of Fiscal 2025	147,000	(1.0)	1,700	182.2	1,600	83.9	900	20.2	40.81
Full year	302,000	0.5	7,000	32.1	7,100	13.7	7,800	22.1	363.84

(Note) Whether changes to the latest forecasts for consolidated figures have been made: None

* NOTE

(1) Changes in the State of Material Subsidiaries during the Period: None

Newly included: – (Name) –

Excluded: – (Name) –

(2) Adoption of Special Accounting Methods for Preparation of Quarterly Consolidated Financial Statements: Yes

Note: For details, please refer to “(3) Notes Regarding Quarterly Consolidated Financial Results (Application of special accounting methods for presenting quarterly consolidated financial statements)” under “2. Quarterly Consolidated Financial Statement and Important Notes” on page 8 of the attached materials.

(3) Changes in Accounting Principles, Changes in Accounting Estimates, and Retrospective Restatements

(a) Changes in accounting principles accompanying the amendment of accounting standards: None

(b) Changes other than those in (a) above: None

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(4) Number of Shares Issued (Common shares)

(a) Number of shares issued at the end of the period (including treasury shares)

First Quarter of Fiscal 2025	24,077,510 shares	Fiscal 2024	24,077,510 shares
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(b) Number of treasury shares at the end of the period

First Quarter of Fiscal 2025	2,023,510 shares	Fiscal 2024	2,023,266 shares
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(c) Average number of shares issued during the period

First Quarter of Fiscal 2025	22,054,125 shares	First Quarter of Fiscal 2024	22,825,790 shares
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation of the Appropriate Use of Performance Forecasts and Other Related Items

(Caution concerning future descriptions etc.)

The above estimate has been compiled based on information available at the time this disclosure was made. The actual earnings are subject to change from the estimated values due to various factors. For assumed conditions underlying the earnings forecast and cautionary statements in using the earnings forecast, please refer to “Explanation Regarding Future Estimate Information such as Consolidated Financial Performance Estimates” on page 3.

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Note: This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the original shall prevail.
The original disclosure in Japanese was released on August 5, 2025 at 13:30 (GMT+9).
The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

1. Overview of Operating Results

(1) Overview of Quarterly Operating Results

Domestic demand for steel products continued to be sluggish within the Group business environment for the first quarter of the fiscal year despite a year-on-year increase in automobile production volume in Japan due to a rebound from the effect of certification issues.

Under this business environment, we have developed and launched our Medium-term Management Plan, “TOPY Active & Challenge 2027,” which covers the period from FY2025 to FY2027. We have set our basic policies to improve profitability through structural innovation of existing businesses and to sow seeds for growth businesses that leverage core competencies, and are committed to achieving our FY2027 management target of an ROE of 6% or more.

Net sales for the first quarter of the fiscal year were ¥71,213 million (down 3.3% year on year), operating profit was ¥1,603 million (up 1,080.3% year on year), ordinary profit was ¥1,672 million (up 22.6% year on year), and profit attributable to owners of parent was ¥1,007 million (up 38.8% year on year). This was mainly due to a recovery in sales volume as well as progress in structural reforms and the establishment of sustainable sales pricing in the Automotive & Industrial Machinery Components Business, despite a decrease in sales volume in the Steel Business.

Performance by Segment

(Steel Business)

In the steel industry, domestic demand for steel products remained weak due to construction project delays. Also, prices for steel scrap, a raw material, fell year on year.

Under these conditions, a decline in sales volumes and sales prices due to weak demand and an increase in various costs such as repair costs led to the Group net sales of ¥23,394 million (down 12.2% year on year) and operating profit of ¥1,214 million (down 36.0% year on year).

(Automotive & Industrial Machinery Components Business)

In the automobile industry, production volume increased compared to the level in the previous fiscal year in Japan due to a rebound from the effect of certification issues in the same period of the previous fiscal year. Production volume decreased in the overseas market including the U.S. and Southeast Asia region and the share for the Japanese manufacturers in China continued to decline. In the construction machinery industry, worldwide demand for hydraulic shovels remained weak. Furthermore, demand for mining machinery remained stagnant.

Under the circumstances, the Group net sales were ¥46,148 million (up 2.1% year on year) and operating profit was ¥1,786 million (compared to operating loss of ¥527 million in the previous fiscal year) mainly due to a recovery in sales volume as well as progress in structural reforms and the establishment of sustainable sales pricing.

(Others)

The Group is involved in the manufacture and sale of synthetic mica, civil engineering and construction, real estate leasing, and the operation of a sports club. Net sales decreased to ¥1,670 million (down 8.3% year on year) and operating profit was ¥211 million (down 7.1% year on year).

(2) Overview of Quarterly Financial Position

Total assets at the end of the first quarter of the fiscal year under review stood at ¥268,602 million, a decrease of ¥13,149 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥5,637 million in notes and accounts receivable – trade, and contract assets, a decrease of ¥1,494 million in machinery, equipment and vehicles, and a decrease of ¥1,275 million in cash and deposits.

Total liabilities were ¥135,131 million, a decrease of ¥9,906 million compared with the end of the previous fiscal year. This was mainly due to a decrease of ¥4,318 million in short-term borrowings, a decrease of ¥4,283 million in notes and accounts payable - trade, and a decrease of ¥1,334 million in income taxes payable.

Total net assets amounted to ¥133,470 million, a decrease of ¥3,242 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥2,021 million in foreign currency translation adjustment, a decrease of ¥606 million in retained earnings, and a decrease of ¥484 million in valuation difference on available-for-sale securities.

(3) Explanation Regarding Future Estimate Information such as Consolidated Financial Performance Estimates

The future business environment surrounding the Group is expected to remain uncertain, influenced by factors such as trends in domestic demand for steel products and developments in automobile and construction machinery production, including the impact of U.S. trade policy.

With the impact of U.S. tariffs expected to emerge going forward, the Group continues to pay close attention to market and customer trends.

We will also promote the business strategy developed in the new Medium-term Management Plan and work on measures to strengthen the business foundation of existing businesses and to sow seeds for businesses that can grow sustainably.

The consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026) have not been changed from those announced on May 9, 2025. This decision has been made based on information available to the Group as of the date of issuance of this release. The actual results may vary from the forecast due to various factors that will arise in the future.

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	27,474	26,199
Notes and accounts receivable - trade, and contract assets	62,090	56,453
Merchandise and finished goods	27,800	28,833
Work in process	7,313	7,639
Raw materials and supplies	19,734	19,647
Other	10,865	6,951
Allowance for doubtful accounts	(93)	(70)
Total current assets	155,185	145,654
Non-current assets		
Property, plant and equipment		
Buildings and structures	100,081	99,732
Accumulated depreciation	(75,469)	(75,519)
Buildings and structures, net	24,611	24,213
Machinery, equipment and vehicles	233,339	231,939
Accumulated depreciation	(198,138)	(198,234)
Machinery, equipment and vehicles, net	35,200	33,705
Land	15,573	15,514
Leased assets	1,754	1,668
Accumulated depreciation	(942)	(935)
Leased assets, net	812	732
Construction in progress	2,577	2,815
Other	43,750	43,521
Accumulated depreciation	(41,908)	(41,766)
Other, net	1,841	1,755
Total property, plant and equipment	80,616	78,736
Intangible assets		
Other	3,436	3,224
Total intangible assets	3,436	3,224
Investments and other assets		
Investment securities	30,748	29,986
Long-term loans receivable	219	229
Deferred tax assets	819	959
Retirement benefit asset	494	494
Other	10,310	9,399
Allowance for doubtful accounts	(80)	(80)
Total investments and other assets	42,512	40,987
Total non-current assets	126,566	122,947
Total assets	281,751	268,602

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,375	26,091
Electronically recorded obligations - operating	15,775	16,848
Short-term borrowings	26,280	21,961
Current portion of bonds payable	5,000	5,000
Lease liabilities	228	205
Income taxes payable	2,171	837
Other	16,021	15,551
Total current liabilities	95,852	86,495
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	11,891	11,307
Lease liabilities	394	353
Deferred tax liabilities	1,088	875
Provision for corporate officers' retirement benefits	157	176
Provision for share awards for directors (and other officers)	42	65
Provision for retirement benefits for directors (and other officers)	19	20
Reserve for repairs	265	272
Retirement benefit liability	7,240	7,496
Asset retirement obligations	1,658	1,660
Other	1,427	1,408
Total non-current liabilities	49,186	48,636
Total liabilities	145,038	135,131
Net assets		
Shareholders' equity		
Share capital	20,983	20,983
Capital surplus	18,622	18,622
Retained earnings	73,984	73,378
Treasury shares	(4,210)	(4,211)
Total shareholders' equity	109,379	108,772
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,968	12,483
Deferred gains or losses on hedges	(9)	(5)
Foreign currency translation adjustment	10,868	8,847
Remeasurements of defined benefit plans	2,070	1,989
Total accumulated other comprehensive income	25,898	23,315
Non-controlling interests	1,435	1,382
Total net assets	136,713	133,470
Total liabilities and net assets	281,751	268,602

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
Quarterly Consolidated Statements of Income
(For the Three-month Period)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	73,636	71,213
Cost of sales	64,431	60,072
Gross profit	9,205	11,141
Selling, general and administrative expenses	9,069	9,537
Operating profit	135	1,603
Non-operating income		
Interest income	51	46
Dividend income	489	499
Foreign exchange gains	400	—
Share of profit of entities accounted for using equity method	88	—
Compensation income	513	—
Other	64	95
Total non-operating income	1,607	641
Non-operating expenses		
Interest expenses	171	168
Foreign exchange losses	—	235
Share of loss of entities accounted for using equity method	—	67
facilities relocation expenses	104	—
Other	103	101
Total non-operating expenses	379	572
Ordinary profit	1,364	1,672
Extraordinary income		
Gain on sale of non-current assets	6	2
Subsidy income	—	26
Gain on reversal of foreign currency translation adjustment	—	101
Total extraordinary income	6	129
Extraordinary losses		
Loss on sale of non-current assets	0	2
Loss on retirement of non-current assets	21	52
Loss on valuation of investment securities	—	1
Loss on tax purpose reduction entry of non-current assets	—	26
Total extraordinary losses	22	82
Profit before income taxes	1,348	1,719
Income taxes	588	681
Profit	760	1,037
Profit attributable to non-controlling interests	35	30
Profit attributable to owners of parent	725	1,007

Quarterly Consolidated Statements of Comprehensive Income
(For the Three-month Period)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	760	1,037
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,192)	(480)
Deferred gains or losses on hedges	(0)	3
Foreign currency translation adjustment	2,073	(1,732)
Remeasurements of defined benefit plans, net of tax	(93)	(79)
Share of other comprehensive income of entities accounted for using equity method	310	(377)
Total other comprehensive income	1,097	(2,666)
Comprehensive income	1,857	(1,628)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,767	(1,575)
Comprehensive income attributable to non-controlling interests	90	(52)

(3) Notes Regarding Quarterly Consolidated Financial Results

(Accounting treatment specific to the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses were calculated by multiplying the rationally estimated effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, which includes the current first quarter under review, by profit before income taxes for the first quarter.

(Segment information)

I Three months ended June 30, 2024 (April 1, 2024 - June 30, 2024)

1. Information regarding amounts of net sales, profits or losses, assets and other items by reportable segment

(Millions of yen)

	Reportable segment			Others (Note) 1	Total	Amount of adjustment (Note) 2	Amount recorded in the quarterly consolidated financial statements (Note) 3
	Steel	Automotive & Industrial Machinery Components	Total				
Net sales							
Net sales to outside customers	26,630	45,184	71,815	1,821	73,636	—	73,636
Internal sales or transfer between segments	5,133	—	5,133	—	5,133	(5,133)	—
Total	31,764	45,184	76,948	1,821	78,770	(5,133)	73,636
Segment profit (loss)	1,898	(527)	1,371	228	1,599	(1,463)	135

(Notes) 1. The category “Others” includes the business segment not included in the reportable segments and includes synthetic mica, indoor and outdoor sign systems, civil engineering and construction, real estate leasing, and the operation of a sports club.

2. Profits of segment in an amount of a loss of ¥1,463 million are common corporate expenses, etc. not allocated to the respective reportable segments. The common corporate expenses are mainly the expenses related to the administrative divisions of the Company that are not attributable to the reportable segments.

3. Segment profit (loss) is adjusted with operating profit recorded under the quarterly consolidated financial statements.

2. Information regarding impairment losses or goodwill of non-current assets by reportable segment

Not applicable.

II Three months ended June 30, 2025 (April 1, 2025 - June 30, 2025)

1. Information regarding amounts of net sales, profits or losses, assets and other items by reportable segment

(Millions of yen)

	Reportable segment			Others (Note) 1	Total	Amount of adjustment (Note) 2	Amount recorded in the quarterly consolidated financial statements (Note) 3
	Steel	Automotive & Industrial Machinery Components	Total				
Net sales							
Net sales to outside customers	23,394	46,148	69,543	1,670	71,213	—	71,213
Internal sales or transfer between segments	5,227	—	5,227	—	5,227	(5,227)	—
Total	28,621	46,148	74,770	1,670	76,440	(5,227)	71,213
Segment profit	1,214	1,786	3,001	211	3,213	(1,609)	1,603

(Notes) 1. The category “Others” includes the business segment not included in the reportable segments and includes synthetic mica, indoor and outdoor sign systems, civil engineering and construction, real estate leasing, and the operation of a sports club.

2. Profits of segment in an amount of a loss of ¥1,609 million are common corporate expenses, etc. not allocated to the respective reportable segments. The common corporate expenses are mainly the expenses related to the administrative divisions of the Company that are not attributable to the reportable segments.

3. Segment profit is adjusted with operating profit recorded under the quarterly consolidated financial statements.

2. Information regarding impairment losses or goodwill of non-current assets by reportable segment

Not applicable.

(Note on significant changes in the amount of shareholders' equity)

Not applicable.

(Note related to going-concern assumption)

Not applicable.

(Quarterly Consolidated Cash Flow Statements)

Cash flow calculation for the consolidated financial statement regarding the end of first quarter of the fiscal year under review has not been prepared. Depreciation (including depreciation fees of intangible assets without goodwill) and amortization of goodwill regarding the end of first quarter of the fiscal year under review are as follows:

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	2,852 million yen	2,827 million yen
Amortization of goodwill	31	31