

Consolidated Basis Results of the Third Quarter for FY2025 (April 1, 2025 - December 31, 2025)



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 Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
 Securities code: 7231
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 Scheduled date to commence dividend payments: -
 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 nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	219,812	(1.4)	5,912	99.1	6,656	75.2	7,694	106.7
December 31, 2024	223,028	(13.0)	2,970	(66.9)	3,798	(60.8)	3,723	(13.1)

Note: Comprehensive income For the nine months ended December 31, 2025: ¥ 7,948 million [622.1%]
 For the nine months ended December 31, 2024: ¥ 1,100 million [(91.6)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	351.76	-
December 31, 2024	163.02	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	277,853	140,890	50.2	6,453.72
March 31, 2025	281,751	136,713	48.0	6,133.88

Reference: Equity

As of December 31, 2025: ¥ 139,498 million
 As of March 31, 2025: ¥ 135,278 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	30.00	-	73.00	103.00
Fiscal year ending March 31, 2026	-	40.00	-		
Fiscal year ending March 31, 2026 (Forecast)				90.00	130.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Full year	302,000	0.5	7,000	32.1	7,100	13.7	7,800	22.1	363.84

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies()

Excluded: - companies()

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) 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

(4) Number of issued shares (common shares)

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

As of December 31, 2025	24,077,510 shares
As of March 31, 2025	24,077,510 shares

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

As of December 31, 2025	2,462,290 shares
As of March 31, 2025	2,023,266 shares

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

Nine months ended December 31, 2025	21,872,804 shares
Nine months ended December 31, 2024	22,838,907 shares

* 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 results may vary from the forecast due to various factors that will arise in the future.

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 February 6, 2026 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

Looking at the Group business environment for the end of the first nine months of the fiscal year, domestic automobile production volume remained at the level of the previous year although the automobile industry has been affected by U.S. trade policy. In the steel industry, domestic demand for steel products remained weak.

Under this business environment, the Group is steadily implementing the Medium-term Management Plan “TOPY Active & Challenge 2027” that sets out basic policies of improving profitability through structural innovation of existing businesses and sowing seeds for growth businesses that leverage core competencies. As components of this, the Company showcased newly-developed wheels featuring proprietary technologies at the Japan Mobility Show 2025. The Group will continue to advance the development of high-value-added products and market expansion. Also, in order to implement management that is conscious of cost of capital and stock price, the Group is proceeding with the reduction of cross-shareholdings while advancing flexible share buybacks and other related initiatives.

Net sales for the end of the first nine months of the fiscal year were ¥219,812 million (down 1.4% year on year), operating profit was ¥5,912 million (up 99.1% year on year), ordinary profit was ¥6,656 million (up 75.2% year on year), and profit attributable to owners of parent was ¥7,694 million (up 106.7% year on year). This was mainly due to factors including structural innovation in the Automotive & Industrial Machinery Components Segment and the formation of sustainable selling prices, despite sluggish demand in the Steel Segment.

Performance by Segment

(Steel Business)

In the steel industry, domestic demand for steel products remained weak, partly due to construction project delays resulting from a labor shortage among other factors. Also, prices for steel scrap, a raw material, started to rise in the nine months of the fiscal year, due to factors such as the weaker yen.

Under these conditions, a decline in selling prices due to weak demand, along with lower sales volume and increased repair work and other costs resulted in Group net sales of ¥66,626 million (down 13.4% year on year) and operating profit of ¥1,931 million (down 57.7% year on year).

(Automotive & Industrial Machinery Components Business)

In the automobile industry, domestic production volume remained at the level of the previous fiscal year. Production volume decreased in overseas markets including the U.S. and Southeast Asia, and the share of Japanese manufacturers in China continued to decline. In the construction machinery industry, global demand for hydraulic shovels remained weak. Demand for mining machinery also showed a stagnating trend.

Under these circumstances, Group net sales were ¥148,112 million (up 5.2% year on year) and operating profit was ¥7,927 million (up 251.8% year on year), mainly due to structural innovation and to progress in 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 were ¥5,073 million (down 6.0% year on year) and operating profit was ¥659 million (down 6.2% year on year).

(2) Overview of Quarterly Financial Position

Total assets at the end of the nine months of the consolidated fiscal year under review stood at ¥277,853 million, a decrease of ¥3,898 million from the end of the previous consolidated fiscal year. This was mainly due to a decrease of ¥2,262 million in machinery, equipment and vehicles, an increase of ¥1,778 million in cash and deposits, and a decrease of ¥1,012 million in notes and accounts receivable – trade, and contract assets.

Total liabilities were ¥136,963 million, a decrease of ¥8,075 million compared with the end of the previous consolidated fiscal year. This was mainly due to a decrease of ¥7,000 million in bonds payable, an increase of ¥6,357 million in electronically recorded obligations – operating, and a decrease of ¥5,782 million in short-term borrowings.

Total net assets came to ¥140,890 million, an increase of ¥4,177 million from the end of the previous consolidated fiscal year. This was mainly due to an increase of ¥5,208 million in retained earnings, an increase of ¥1,240 million in treasury shares and an increase of ¥1,166 million in valuation difference on available-for-sale securities.

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

The business environment surrounding the Group is expected to remain challenging, influenced by factors including sluggish domestic demand for steel products and trends in steel scrap prices.

To achieve its full-year earnings forecast, the Group will strive to secure a gap between steel material selling prices and steel scrap prices while advancing cost reduction and the formation of sustainable selling prices across all segments.

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.

(1) Quarterly Consolidated Financial Statements and Primary Notes
Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	27,474	29,253
Notes and accounts receivable - trade, and contract assets	62,090	61,077
Merchandise and finished goods	27,800	28,428
Work in process	7,313	6,782
Raw materials and supplies	19,734	20,112
Other	10,865	7,786
Allowance for doubtful accounts	(93)	(69)
Total current assets	155,185	153,371
Non-current assets		
Property, plant and equipment		
Buildings and structures	100,081	101,300
Accumulated depreciation	(75,469)	(76,804)
Buildings and structures, net	24,611	24,496
Machinery, equipment and vehicles	233,339	235,280
Accumulated depreciation	(198,138)	(202,342)
Machinery, equipment and vehicles, net	35,200	32,937
Land	15,573	15,800
Leased assets	1,754	1,642
Accumulated depreciation	(942)	(1,014)
Leased assets, net	812	627
Construction in progress	2,577	3,240
Other	43,750	44,589
Accumulated depreciation	(41,908)	(42,766)
Other, net	1,841	1,822
Total property, plant and equipment	80,616	78,925
Intangible assets		
Other	3,436	3,124
Total intangible assets	3,436	3,124
Investments and other assets		
Investment securities	30,748	30,778
Long-term loans receivable	219	232
Deferred tax assets	819	799
Retirement benefit asset	494	494
Other	10,310	10,206
Allowance for doubtful accounts	(80)	(80)
Total investments and other assets	42,512	42,431
Total non-current assets	126,566	124,481
Total assets	281,751	277,853

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,375	28,855
Electronically recorded obligations - operating	15,775	22,132
Short-term borrowings	26,280	20,497
Current portion of bonds payable	5,000	7,000
Lease liabilities	228	193
Income taxes payable	2,171	1,723
Other	16,021	13,568
Total current liabilities	95,852	93,971
Non-current liabilities		
Bonds payable	25,000	18,000
Long-term borrowings	11,891	12,376
Lease liabilities	394	284
Deferred tax liabilities	1,088	1,464
Provision for corporate officers' retirement benefits	157	212
Provision for share awards for directors (and other officers)	42	56
Provision for retirement benefits for directors (and other officers)	19	23
Reserve for repairs	265	236
Retirement benefit liability	7,240	7,269
Asset retirement obligations	1,658	1,670
Other	1,427	1,397
Total non-current liabilities	49,186	42,991
Total liabilities	145,038	136,963
Net assets		
Shareholders' equity		
Share capital	20,983	20,983
Capital surplus	18,622	18,622
Retained earnings	73,984	79,193
Treasury shares	(4,210)	(5,451)
Total shareholders' equity	109,379	113,348
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,968	14,135
Deferred gains or losses on hedges	(9)	2
Foreign currency translation adjustment	10,868	10,127
Remeasurements of defined benefit plans	2,070	1,885
Total accumulated other comprehensive income	25,898	26,150
Non-controlling interests	1,435	1,391
Total net assets	136,713	140,890
Total liabilities and net assets	281,751	277,853

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(For the Nine-Month Period)

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	223,028	219,812
Cost of sales	192,506	185,539
Gross profit	30,521	34,272
Selling, general and administrative expenses	27,551	28,359
Operating profit	2,970	5,912
Non-operating income		
Interest income	127	122
Dividend income	954	912
Foreign exchange gains	-	37
Share of profit of entities accounted for using equity method	118	231
Compensation income	513	-
Other	257	281
Total non-operating income	1,971	1,585
Non-operating expenses		
Interest expenses	547	536
Foreign exchange losses	148	-
Facilities relocation expenses	106	-
Other	340	305
Total non-operating expenses	1,142	841
Ordinary profit	3,798	6,656
Extraordinary income		
Gain on sale of non-current assets	219	18
Gain on sale of investment securities	3,011	4,643
Subsidy income	79	140
Gain on reversal of foreign currency translation adjustment	-	101
Total extraordinary income	3,310	4,903
Extraordinary losses		
Loss on sale of non-current assets	25	7
Loss on retirement of non-current assets	168	317
Impairment losses	15	-
Loss on valuation of investment securities	18	1
Loss on tax purpose reduction entry of non-current assets	79	140
Loss on business restructuring	740	-
Provision for surcharge	285	-
Total extraordinary losses	1,332	466
Profit before income taxes	5,776	11,093
Income taxes	1,968	3,333
Profit	3,808	7,760
Profit attributable to non-controlling interests	85	66
Profit attributable to owners of parent	3,723	7,694

Quarterly Consolidated Statement of Comprehensive Income
(For the Nine-Month Period)

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	3,808	7,760
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,004)	1,049
Deferred gains or losses on hedges	7	11
Foreign currency translation adjustment	1,324	(510)
Remeasurements of defined benefit plans, net of tax	(278)	(182)
Share of other comprehensive income of entities accounted for using equity method	243	(178)
Total other comprehensive income	(2,707)	188
Comprehensive income	1,100	7,948
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	983	7,945
Comprehensive income attributable to non-controlling interests	117	3

(3) Important Notes on Quarterly Consolidated Financial Results

(Note on application of special accounting policies for presenting quarterly consolidated financial statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate reflecting the tax effect to be applied to profit before income taxes for the consolidated fiscal year, including the third quarter under review, and then multiplying profit before income taxes for the third quarter under review by such estimated effective tax rate.

(Note on segment information)

I Nine months ended December 31, 2024 (April 1, 2024 - December 31, 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	76,893	140,737	217,630	5,397	223,028	—	223,028
Internal sales or transfer between segments	13,790	—	13,790	—	13,790	(13,790)	—
Total	90,683	140,737	231,420	5,397	236,818	(13,790)	223,028
Segment profit	4,563	2,253	6,816	703	7,520	(4,549)	2,970

(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 ¥4,549 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.

II Nine months ended December 31, 2024 (April 1, 2024 - December 31, 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	66,626	148,112	214,738	5,073	219,812	—	219,812
Internal sales or transfer between segments	14,747	—	14,747	—	14,747	(14,747)	—
Total	81,374	148,112	229,486	5,073	234,559	(14,747)	219,812
Segment profit	1,931	7,927	9,858	659	10,518	(4,605)	5,912

(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 ¥4,605 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 on going-concern assumption)

Not applicable.

(Note to Quarterly Consolidated Cash Flow Statements)

Cash flow calculation for the consolidated financial statement regarding the end of third 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 third quarter of the fiscal year under review are as follows:

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	8,621 million yen	8,617 million yen
Amortization of goodwill	93	93