

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



Company name: TOPY INDUSTRIES, LIMITED  
 Listing: Tokyo Stock Exchange, Nagoya Stock Exchange  
 Securities code: 7231  
 URL: <https://www.topy.co.jp/>  
 Representative: Hiromi Ishii, Representative Director, President and CEO  
 Inquiries: Tomoki Oyaizu, Operating Officer and General Manager, General Affairs Department  
 Telephone: +81-3-3493-0141  
 Scheduled date of annual general meeting of shareholders: June 25, 2026  
 Scheduled date to commence dividend payments: June 9, 2026  
 Scheduled date to file annual securities report: June 24, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes

(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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	297,750	(1.0)	7,783	46.8	8,618	38.0	10,151	58.9
March 31, 2025	300,610	(10.0)	5,300	(49.2)	6,246	(40.3)	6,387	36.6

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 12,519 million [ -%]  
 For the fiscal year ended March 31, 2025: ¥ (138) million [ -%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	465.37	-	7.3	3.1	2.6
March 31, 2025	281.13	-	4.6	2.2	1.8

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ 283 million  
 For the fiscal year ended March 31, 2025: ¥ 760 million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	271,578	145,410	53.0	6,660.64
March 31, 2025	281,751	136,713	48.0	6,133.88

Reference: Equity

As of March 31, 2026: ¥ 143,970 million  
 As of March 31, 2025: ¥ 135,278 million

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	13,129	1,644	(13,678)	27,847
March 31, 2025	15,390	(1,974)	(10,828)	26,621

## 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			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	30.00	-	73.00	103.00	2,300	36.6	1.7
Fiscal year ended March 31, 2026	-	40.00	-	90.00	130.00	2,841	27.9	2.0
Fiscal year ending March 31, 2027 (Forecast)	-	65.00	-	70.00	135.00		48.4	

## 3. Consolidated financial result forecasts 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
Six months ending September 30, 2026	159,000	11.2	1,000	(69.3)	1,000	(70.5)	1,000	(59.7)	46.26
Full year	326,000	9.5	8,000	2.8	8,000	(7.2)	6,000	(40.9)	279.00

### \* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- Newly included: - companies( - )
- Excluded: - companies( - )

- (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	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 March 31, 2026	2,462,470 shares
As of March 31, 2025	2,023,266 shares

- (iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	21,813,331 shares
Fiscal Year ended March 31, 2025	22,719,191 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	181,915	(1.8)	1,880	(40.3)	5,050	(14.7)	10,038	200.3
March 31, 2025	185,307	(6.0)	3,148	(39.2)	5,919	(25.3)	3,343	388.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2026	460.12	-
March 31, 2025	147.12	-

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2026	198,419	85,140	42.9	3,938.28
March 31, 2025	206,112	80,182	38.9	3,635.10

Reference: Equity

As of March 31, 2026:	¥	85,140 million
As of March 31, 2025:	¥	80,182 million

**2. Non-consolidated financial result forecasts 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		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	191,000	5.0	500	(73.4)	2,000	(60.4)	2,000	(80.1)	92.99

\* These Consolidated Basic Results are not included in the scope of audits by certified public accountants or audit corporations.

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

(Caution concerning future descriptions etc.)

All future descriptions in this disclosure has been compiled based on information currently available. For assumed conditions underlying the earnings forecast, please refer to “1. Overview of Operating Results” on page 2. These descriptions may differ from actual results and effects on earnings is not limited to this.

(Obtaining supplementary documents of financial results)

Supplementary documents will be posted on the Company’s website.

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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 May 12, 2026.  
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 Operating Results for the Fiscal Year under Review

#### Operating Results for the Consolidated Fiscal Year under Review

Looking at the Group business environment for the end of the fiscal year, domestic automobile production volume remained at the level of the previous year although the automobile industry has been partially affected by U.S. trade policy. Meanwhile, the steel industry continued to face challenging conditions, as domestic demand for steel products remained weak and iron scrap prices began to rise in the second half.

Under this business environment, the Group is steadily implementing the Medium-term Management Plan “TOPY Active & Challenge 2027.” For its first basic policy of improving profitability through structural innovation of existing businesses, we responded to the current challenges by driving structural innovation, including enhancing the profitability of the U.S. business, and by promoting the formation of sustainable sales prices. For its second basic policy of sowing seeds for growth businesses that leverage core competencies, we promoted initiatives, including developing high-value-added products such as large-diameter ultra-lightweight aluminum wheels and forged aluminum wheels for commercial vehicles, reinforcing collaboration with alliance partners in expanding overseas markets, and further sophisticating our recycling business.

Also, in order to implement management that is conscious of cost of capital and stock price, the Group is proceeding with the sale of cross-shareholdings, and the ratio to consolidated net assets decreased from 14.8% as of March 31, 2025 to 11.3% as of March 31, 2026. While the planned number of shares was sold, the rise in the market value of the remaining shares prevented us from meeting the target ratio of below 10%. Therefore, we revised the target deadline to March 31, 2027 and will continuously strive to reduce our shareholdings.

In the fiscal year ended March 31, 2026, ROE ended at 7.3%, primarily due to the impact of the sales of cross-shareholdings. Although the ROE level excluding the extraordinary income and losses has increased as profitability has improved, we acknowledge that additional enhancement is necessary. We will continue to advance our initiatives to achieve our management target of a minimum ROE of 6.0% for the fiscal year 2027.

Net sales for the fiscal year were ¥297,750 million (down 1.0% year on year), operating profit was ¥7,783 million (up 46.8% year on year), and ordinary profit was ¥8,618 million (up 38.0% year on year). Profit attributable to owners of parent was ¥10,151 million (up 58.9% year on year), mainly due to the recording of gain on sale of investment securities. The results were driven by 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. Regarding the impact of U.S. trade policy, its effect on our performance was contained to a minimal level as a result of negotiations with customers.

#### 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. Also, prices for steel scrap, a raw material, started to rise in the second half of the fiscal year, due to factors such as the weaker yen.

Under these conditions, selling prices declined as iron scrap price began to rise in the second half, which narrowed the price gap. Together with the impact of the increased repair work and other costs, these factors resulted in the Group’s net sales of ¥89,226 million (down 13.1% year on year) and operating profit of ¥2,470 million (down 61.1% 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 North America and Southeast Asia. In China, although high production level has been sustained, the share of Japanese manufacturers continued to decline. In the construction machinery industry, demand for hydraulic shovels showed a sign of a bottoming out after a period of

decline. Demand for mining machinery also showed a stagnating trend.

Under these circumstances, Group net sales were ¥201,635 million (up 5.7% year on year) and operating profit was ¥10,917 million (up 145.5% 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 ¥6,889 million (down 4.9% year on year) and operating profit was ¥882 million (up 106.1% year on year).

## (2) Overview of Financial Position for the Fiscal Year under Review

### Assets, Liabilities, and Net Assets

Total assets at the end of the fiscal year under review stood at ¥271,578 million, a decrease of ¥10,173 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥6,239 million in notes and accounts receivable – trade, and contract assets, a decrease of ¥4,035 million in investment securities, and a decrease of ¥2,358 million in machinery, equipment and vehicles.

Total liabilities were ¥126,168 million, a decrease of ¥18,870 million compared with the end of the previous fiscal year. This was mainly due to a decrease of ¥5,116 million in electronically recorded obligations – operating, a decrease of ¥5,000 million in bonds payable, and a decrease of ¥3,635 million in retirement benefit liability.

Total net assets came to ¥145,410 million, an increase of ¥8,697 million from the end of the previous fiscal year. This was mainly due to an increase of ¥7,666 million in retained earnings, an increase of ¥2,163 million in remeasurements of defined benefit plans and an increase of ¥1,473 million in treasury shares. As a result, net assets per share came to ¥6,660.64 and the equity ratio reached 53.0%.

### Cash Flows

Cash and cash equivalents (hereinafter “net cash”) in the fiscal year under review increased by ¥1,226 million from the end of the previous fiscal year to ¥27,847 million.

(Cash flows from operating activities)

Funds obtained from operating activities stood at ¥13,129 million, a decrease of ¥2,260 million from the previous fiscal year. This was mainly attributable to profit before income taxes at ¥14,484 million, depreciation at ¥11,777 million, and a gain on sale of short-term and long-term investment securities at ¥7,143 million.

(Cash flows from investing activities)

Funds obtained from investing activities stood at ¥1,644 million (¥1,974 million was used in the previous fiscal year). This was mainly attributable to proceeds from sale of investment securities at ¥12,446 million, purchase of property, plant and equipment at ¥9,911 million, and net increase in time deposits at ¥693 million.

(Cash flows from financing activities)

Funds used in financing activities stood at ¥13,678 million, an increase of ¥2,850 million from the previous fiscal year. This was mainly attributable to repayments of long-term borrowings of ¥6,508 million, redemption of bonds at ¥5,000 million, and proceeds from long-term borrowings at ¥3,000 million.

(Reference) Cash flow-related indicators

	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Equity ratio (%)	39.9	41.1	46.8	48.0	53.0
Equity ratio based on market value (%)	8.6	15.4	20.7	16.6	23.1
The ratio of interest-bearing debt to operating cash flow (years)	(15.6)	5.6	3.3	4.4	4.5
Interest coverage ratio (times)	(11.0)	19.6	28.4	21.1	17.8

Equity ratio: Shareholders' equity / Total assets

Equity ratio based on market value: Market capitalization / Total assets

The ratio of interest-bearing debt to operating cash flow: Interest-bearing debt / Cash flows

Interest coverage ratio: Cash flows / Interest payments

(Note 1) All amounts are on a consolidated basis.

(Note 2) Total market value for shares is calculated on the basis of the number of outstanding shares, excluding treasury shares.

(Note 3) Cash flows are cash flows from operating activities.

(Note 4) Interest-bearing debt is all the debt with interest on the consolidated balance sheet.

### (3) Future Outlook

The business environment surrounding the Group is expected to remain uncertain, influenced by factors including sluggish domestic demand for steel products, trends in steel scrap prices, and the conditions in the Middle East. The Group will focus on raising steel material selling prices to address rising costs, while remaining flexible in responding to risks associated with the situation in the Middle East. We will also work continuously to make steady progress in structural innovation and in sowing seeds for growth business in line with the Medium-term Management Plan "TOPY Active & Challenge 2027."

The consolidated earnings forecasts for the fiscal year ending March 31, 2027 include consolidated net sales of ¥326,000 million, operating profit of ¥8,000 million, ordinary profit of ¥8,000 million, and profit attributable to owners of parent of ¥6,000 million.

Because the impact of the Middle East situation on the Group cannot be appropriately assessed at this point in time, it has not been reflected in the assumptions underlying this forecast. We will continue to monitor developments closely and will promptly disclose any revisions to the consolidated earnings forecasts should the need arise.

### (4) Basic Profit Allocation Policy, and Dividends for the Current and Next Fiscal Year

During the period of our Medium-term Management Plan "TOPY Active & Challenge 2027," from FY2025 through FY2027, our dividend policy is to implement a progressive dividend\*1. In determining the dividend amount, we also take into consideration a DOE\*2 of approximately 2.5%. For the year-end dividend for the fiscal year under review, we plan to pay ¥90 per share. Together with the interim dividend of ¥40 per share, the annual dividend will amount to ¥130 per share (DOE of approximately 2.5%).

As for dividends for the next fiscal year, in line with this dividend policy, we plan to pay an annual dividend of ¥135 per share (DOE of approximately 2.5%).

\*1: A dividend policy to maintain or increase the dividend per share

\*2: Annual dividend amount / Consolidated shareholders' equity

## 2. Basic Policy for the Selection of Accounting Standards

The Group adopts the Japanese accounting standards, taking into account the possibility of comparing terms of consolidated financial statements and performances between the companies.

It will work to adopt the International Financial Reporting Standards as appropriate, considering the situation in both Japan and other countries.

Consolidated Financial Statements and Primary Notes

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	27,474	29,421
Notes and accounts receivable - trade, and contract assets	62,090	55,851
Merchandise and finished goods	27,800	30,082
Work in process	7,313	6,892
Raw materials and supplies	19,734	20,535
Other	10,865	8,170
Allowance for doubtful accounts	(93)	(79)
Total current assets	155,185	150,872
Non-current assets		
Property, plant and equipment		
Buildings and structures	100,081	102,219
Accumulated depreciation	(75,469)	(77,508)
Buildings and structures, net	24,611	24,710
Machinery, equipment and vehicles	233,339	238,075
Accumulated depreciation	(198,138)	(205,234)
Machinery, equipment and vehicles, net	35,200	32,841
Land	15,573	15,244
Leased assets	1,754	2,443
Accumulated depreciation	(942)	(1,196)
Leased assets, net	812	1,246
Construction in progress	2,577	2,587
Other	43,750	45,012
Accumulated depreciation	(41,908)	(43,175)
Other, net	1,841	1,837
Total property, plant and equipment	80,616	78,469
Intangible assets		
Other	3,436	2,972
Total intangible assets	3,436	2,972
Investments and other assets		
Investment securities	30,748	26,713
Long-term loans receivable	219	228
Deferred tax assets	819	781
Retirement benefit asset	494	588
Other	10,310	11,040
Allowance for doubtful accounts	(80)	(86)
Total investments and other assets	42,512	39,265
Total non-current assets	126,566	120,706
Total assets	281,751	271,578

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	30,375	29,786
Electronically recorded obligations - operating	15,775	10,658
Short-term borrowings	26,280	22,720
Current portion of bonds payable	5,000	7,000
Lease liabilities	228	235
Income taxes payable	2,171	2,954
Other	16,021	15,051
Total current liabilities	95,852	88,407
Non-current liabilities		
Bonds payable	25,000	18,000
Long-term borrowings	11,891	11,029
Lease liabilities	394	449
Deferred tax liabilities	1,088	921
Provision for corporate officers' retirement benefits	157	180
Provision for share awards for directors (and other officers)	42	56
Provision for share awards	-	48
Provision for retirement benefits for directors (and other officers)	19	24
Reserve for repairs	265	242
Retirement benefit liability	7,240	3,604
Asset retirement obligations	1,658	1,772
Other	1,427	1,431
Total non-current liabilities	49,186	37,760
Total liabilities	145,038	126,168
Net assets		
Shareholders' equity		
Share capital	20,983	20,983
Capital surplus	18,622	18,855
Retained earnings	73,984	81,651
Treasury shares	(4,210)	(5,684)
Total shareholders' equity	109,379	115,804
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,968	11,808
Deferred gains or losses on hedges	(9)	2
Foreign currency translation adjustment	10,868	12,119
Remeasurements of defined benefit plans	2,070	4,234
Total accumulated other comprehensive income	25,898	28,165
Non-controlling interests	1,435	1,440
Total net assets	136,713	145,410
Total liabilities and net assets	281,751	271,578

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	300,610	297,750
Cost of sales	258,181	251,434
Gross profit	42,429	46,315
Selling, general and administrative expenses	37,128	38,531
Operating profit	5,300	7,783
Non-operating income		
Interest income	172	164
Dividend income	956	914
Foreign exchange gains	-	278
Share of profit of entities accounted for using equity method	760	283
Compensation income	513	-
Other	418	533
Total non-operating income	2,821	2,172
Non-operating expenses		
Interest expenses	748	704
Foreign exchange losses	500	-
Facilities relocation expenses	186	161
Other	439	471
Total non-operating expenses	1,875	1,337
Ordinary profit	6,246	8,618
Extraordinary income		
Gain on sale of non-current assets	231	22
Gain on sale of investment securities	5,383	7,143
Subsidy income	268	229
Gain on reversal of foreign currency translation adjustment	-	101
Total extraordinary income	5,883	7,495
Extraordinary losses		
Loss on sale of non-current assets	27	9
Loss on retirement of non-current assets	239	635
Impairment losses	1,554	754
Loss on valuation of investment securities	18	1
Loss on tax purpose reduction entry of non-current assets	268	229
Loss on business restructuring	747	-
Surcharge	291	-
Total extraordinary losses	3,147	1,630
Profit before income taxes	8,982	14,484
Income taxes - current	3,349	4,739
Income taxes - deferred	(875)	(488)
Total income taxes	2,474	4,250
Profit	6,508	10,233
Profit attributable to non-controlling interests	121	82
Profit attributable to owners of parent	6,387	10,151

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	6,508	10,233
Other comprehensive income		
Valuation difference on available-for-sale securities	(7,675)	(1,343)
Deferred gains or losses on hedges	(10)	11
Foreign currency translation adjustment	3,092	1,085
Remeasurements of defined benefit plans, net of tax	(2,705)	2,125
Share of other comprehensive income of entities accounted for using equity method	652	406
Total other comprehensive income	(6,646)	2,286
Comprehensive income	(138)	12,519
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(355)	12,417
Comprehensive income attributable to non-controlling interests	217	101

Consolidated Statement of Changes in Equity

For the 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	20,983	18,606	69,953	(2,503)	107,040
Changes during period					
Dividends of surplus			(2,356)		(2,356)
Profit attributable to owners of parent			6,387		6,387
Purchase of treasury shares				(1,746)	(1,746)
Disposal of treasury shares		15		39	54
Net changes in items other than shareholders' equity					
Total changes during period	-	15	4,030	(1,707)	2,338
Balance at end of period	20,983	18,622	73,984	(4,210)	109,379

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	20,545	1	7,319	4,774	32,641	1,306	140,988
Changes during period							
Dividends of surplus							(2,356)
Profit attributable to owners of parent							6,387
Purchase of treasury shares							(1,746)
Disposal of treasury shares							54
Net changes in items other than shareholders' equity	(7,577)	(10)	3,549	(2,703)	(6,742)	128	(6,614)
Total changes during period	(7,577)	(10)	3,549	(2,703)	(6,742)	128	(4,275)
Balance at end of period	12,968	(9)	10,868	2,070	25,898	1,435	136,713

For the 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	20,983	18,622	73,984	(4,210)	109,379
Changes during period					
Dividends of surplus			(2,485)		(2,485)
Profit attributable to owners of parent			10,151		10,151
Purchase of treasury shares				(2,000)	(2,000)
Disposal of treasury shares		233		526	759
Net changes in items other than shareholders' equity					
Total changes during period	-	233	7,666	(1,473)	6,425
Balance at end of period	20,983	18,855	81,651	(5,684)	115,804

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,968	(9)	10,868	2,070	25,898	1,435	136,713
Changes during period							
Dividends of surplus							(2,485)
Profit attributable to owners of parent							10,151
Purchase of treasury shares							(2,000)
Disposal of treasury shares							759
Net changes in items other than shareholders' equity	(1,159)	11	1,251	2,163	2,266	5	2,271
Total changes during period	(1,159)	11	1,251	2,163	2,266	5	8,697
Balance at end of period	11,808	2	12,119	4,234	28,165	1,440	145,410

## Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	8,982	14,484
Depreciation	12,199	11,777
Impairment losses	1,554	754
Amortization of goodwill	124	124
Compensation income	(513)	-
Facilities relocation expenses	186	161
Subsidy income	(268)	(229)
Gain on reversal of foreign currency translation adjustment	-	(101)
Loss on tax purpose reduction entry of non-current assets	268	229
Loss on business restructuring	747	-
Surcharge	291	-
Increase (decrease) in allowance for doubtful accounts	52	(12)
Increase (decrease) in provision for corporate officers' retirement benefits	(39)	22
Increase (decrease) in provision for scheduled repairs	39	(22)
Increase (decrease) in retirement benefit liability	(844)	(614)
Interest and dividend income	(1,128)	(1,078)
Interest expenses	748	704
Share of loss (profit) of entities accounted for using equity method	(760)	(283)
Loss (gain) on sale of short-term and long-term investment securities	(5,383)	(7,143)
Loss (gain) on valuation of short-term and long-term investment securities	18	1
Loss (gain) on sale and retirement of property, plant and equipment	35	622
Decrease (increase) in trade receivables	8,932	6,425
Decrease (increase) in inventories	1,441	(2,378)
Increase (decrease) in trade payables	(6,632)	(5,953)
Other, net	(1,070)	(885)
<b>Subtotal</b>	<b>18,981</b>	<b>16,607</b>
Interest and dividends received	1,146	1,614
Interest paid	(728)	(735)
Proceeds from compensation	513	-
Payments of facilities relocation expenses	(15)	(215)
Payments for loss on withdrawal from business	(695)	-
Payments for loss on business restructuring	(556)	(4)
Surcharge paid	-	(313)
Income taxes paid	(3,255)	(3,823)
<b>Net cash provided by (used in) operating activities</b>	<b>15,390</b>	<b>13,129</b>

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	1,130	(693)
Purchase of property, plant and equipment	(7,902)	(9,911)
Proceeds from sale of property, plant and equipment	690	52
Purchase of investment securities	(38)	(16)
Proceeds from sale of investment securities	3,484	12,446
Loan advances	(43)	(36)
Proceeds from collection of loans receivable	31	28
Purchase of intangible assets	(474)	(244)
Subsidies received	1,173	-
Other, net	(25)	17
Net cash provided by (used in) investing activities	(1,974)	1,644
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	6,069	(1,113)
Proceeds from long-term borrowings	-	3,000
Repayments of long-term borrowings	(7,555)	(6,508)
Redemption of bonds	(5,000)	(5,000)
Increase (decrease) in deposit payable in cash	80	1
Repayments of lease liabilities	(237)	(232)
Purchase of treasury shares	(1,746)	(1,250)
Dividends paid	(2,349)	(2,478)
Dividends paid to non-controlling interests	(89)	(96)
Net cash provided by (used in) financing activities	(10,828)	(13,678)
Effect of exchange rate change on cash and cash equivalents	825	130
Net increase (decrease) in cash and cash equivalents	3,412	1,226
Cash and cash equivalents at beginning of period	23,208	26,621
Cash and cash equivalents at end of period	26,621	27,847

(5) Notes Regarding the Consolidated Financial Statements

(Note related to going-concern assumption)

Not applicable.

(Segment information)

1. Summary of reportable segments

The reportable segments of the Company are units constituting the Company that are to be regularly examined by the Board of Directors to determine the allocation of management resources and evaluate the business results, as their financial information is available separately from that of others.

The Company has business divisions by product and service, and each business division develops a comprehensive domestic and overseas strategy for the products and services it offers in conducting its business activities.

Accordingly, the Company consists of segments by product and service based on business divisions. These two reportable segments are: Steel, Automotive & Industrial Machinery Components.

The Steel Business produces general section steel, deformed section steel, deformed bar steel and other steel products. The Automotive & Industrial Machinery Component Business produces various wheels for automobiles, industrial vehicles and construction machinery, pressing products, components for construction machinery, industrial fasteners, etc.

2. Method of calculating amounts of net sales and profits or losses by reportable segment

The accounting method for the business segments reported is consistent with the accounting policies applied in the preparation of the consolidated financial statements. In addition, the profits of the reportable segments show operating profits. The internal revenue and transfer between segments are based on the actual market price.

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

Previous consolidated fiscal year (April 1, 2024 - March 31, 2025)

(Millions of yen)

	Reportable segment			Others (Note) 1	Total	Amount of adjustment (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Steel	Automotive & Industrial Machinery Components	Total				
Net sales							
Net sales to outside customers	102,618	190,745	293,364	7,246	300,610	—	300,610
Internal sales or transfer between segments	17,911	—	17,911	—	17,911	(17,911)	—
Total	120,530	190,745	311,275	7,246	318,522	(17,911)	300,610
Segment profit	6,355	4,447	10,802	428	11,231	(5,930)	5,300

(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 ¥5,930 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 consolidated financial statements.

Consolidated fiscal year under review (April 1, 2025 - March 31, 2026)

(Millions of yen)

	Reportable segment			Others (Note) 1	Total	Amount of adjustment (Note) 2	Amount recorded in the consolidated financial statements (Note) 3
	Steel	Automotive & Industrial Machinery Components	Total				
Net sales							
Net sales to outside customers	89,226	201,635	290,861	6,889	297,750	—	297,750
Internal sales or transfer between segments	20,500	—	20,500	—	20,500	(20,500)	—
Total	109,727	201,635	311,362	6,889	318,251	(20,500)	297,750
Segment profit	2,470	10,917	13,388	882	14,271	(6,487)	7,783

(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 ¥6,487 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 consolidated financial statements.

(Information per share)

	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)	Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)
Net assets per share	6,133.88 yen	6,660.64 yen
Profit per share	281.13 yen	465.37 yen

(Notes)

1. Profit per share after full dilution is not stated because there are no dilutive shares.
2. In the calculation of net assets per share, the shares of the Company that are held by the trust related to the stock compensation plan for directors, etc. are included in the treasury shares that are deducted from the total number of shares issued and outstanding at the end of the fiscal year (45 thousand shares for the previous consolidated fiscal year and 275 thousand shares for the consolidated fiscal year under review).  
In addition, also in the calculation of profit per share, the said shares above are included in the treasury shares that are deducted in the calculation of the average number of shares during the fiscal year (47 thousand shares for the previous consolidated fiscal year and 79 thousand shares for the consolidated fiscal year under review).
3. The bases for the calculation of profit per share are as shown below.

	Previous consolidated fiscal year (from April 1, 2024 to March 31, 2025)	Consolidated fiscal year under review (from April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (million yen)	6,387	10,151
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent in relation to common shares (million yen)	6,387	10,151
Average number of shares during the fiscal year (thousand shares)	22,719	21,813

(Important events after the reporting period)

Not applicable.