

* NOTE

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

Newly included: – (Name) – Excluded: – (Name) –

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

(a) Changes in accounting principles accompanying the amendment of accounting standards: Yes

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

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

Note: For details, please refer to “(5) Notes Regarding the Consolidated Financial Statements(Note on changes in accounting policies)” under “3. Consolidated Financial Statements and Important Notes” on page 13 of the attached materials.

(3) Number of Shares Issued (Common shares)

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

Fiscal 2024 24,077,510 shares Fiscal 2023 24,077,510 shares

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

Fiscal 2024 2,023,266 shares Fiscal 2023 1,251,586 shares

(c) Average number of shares issued during the period

Fiscal 2024 22,719,191 shares Fiscal 2023 22,825,951 shares

(For reference) Non-Consolidated Results

1. Non-Consolidated Operating Results and Financial Position of the Fiscal 2024 (April 1, 2024 - March 31, 2025)

(1) Non-Consolidated Operating Results (Percentage figures are changes from the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal 2024	185,307	(6.0)	3,148	(39.2)	5,919	(25.3)	3,343	388.5
Fiscal 2023	197,038	(3.5)	5,178	32.9	7,928	22.9	684	(88.8)

	Profit per share	Profit per share after full dilution
Fiscal 2024	Yen 147.12	Yen —
Fiscal 2023	29.98	—

(2) Non-Consolidated Financial Position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Million yen		Million yen		%		Yen	
Fiscal 2024	206,112		80,182		38.9		3,635.10	
Fiscal 2023	226,613		88,455		39.0		3,874.63	

(For reference) Shareholders' equity: Fiscal 2024 ¥80,182 million Fiscal 2023 ¥88,455 million

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

(Percentage figures are changes from the previous fiscal year)

Full year	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	188,000	1.5	2,000	(36.5)	4,100	(30.7)	6,500	94.4	303.15

* 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 9 2025.
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)

A challenging situation continued within the Group business environment for the fiscal year due to sluggish domestic demand for steel products, decreased demand for construction machinery on a global level, production halt from the certification issues among domestic car manufacturers and a decrease in automobile production in some overseas regions.

Under this business environment, we steadily implemented the Medium-term Management Plan “TOPY Active & Challenge 2025.” As part of our efforts to rebuild our business foundation, we pursued the optimization of our business portfolio and worked to establish sustainable sales pricing. In addition, in order to implement management that is conscious of cost of capital and stock price, we proceeded with the reduction of cross-shareholdings and conducted a share buyback.

Net sales for the fiscal year under review were ¥300,610 million (down 10.0% year on year), operating profit was ¥5,300 million (down 49.2% year on year) and ordinary profit was ¥6,246 million (down 40.3% year on year) due mainly to the impact of sluggish domestic demand for steel products and a decrease in sales volumes of undercarriage parts for construction machinery and wheels for passenger vehicles. Despite these factors, profit attributable to owners of parent was ¥6,387 million (up 36.3% year on year) due to gains on sales of investment securities, among other factors.

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 steel product sales volume due to weak demand and higher energy costs led to Group net sales of ¥102,618 million (down 7.4% year on year) and operating profit of ¥6,355 million (down 34.1% year on year).

(Automotive & Industrial Machinery Components Business)

In the automobile industry, production volume decreased from the level in the previous fiscal year in Japan due to the effect from the certification issues among other factors. Overseas, passenger car production volume in the U.S. declined and the share for the Japanese manufacturers in China declined. Automobile production volume also declined in Southeast Asia region. In the construction machinery industry, worldwide demand for hydraulic shovels continued to decline. Furthermore, demand for mining machinery remained stagnant.

Under the circumstances, despite efforts to establish sustainable sales pricing, the Group net sales were ¥190,745 million (down 5.4% year on year) and operating profit was ¥4,447 million (down 18.1% year on year) due mainly to the drastic decrease in sales volume of undercarriage parts for construction machinery, reduction of sales volume of wheels for passenger vehicles by the effect of certification issues among domestic car manufacturers and the decrease in sales volume at overseas bases beside other factors.

(Others)

The Group is involved in the manufacture and sale of synthetic mica, civil engineering and construction, real estate leasing, and the operation of sports club. Due to the impact from the elimination of the Power Generation Business, net sales decreased to ¥7,246 million (down 66.4% year on year), and operating profit was ¥428 million (down 65.1% 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 ¥281,751 million, a decrease of ¥16,540 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥11,831 million in investment securities, a decrease of ¥8,318 million in notes and accounts receivable – trade, and contract assets, and a decrease of ¥3,941 million in property, plant, and equipment.

Total liabilities were ¥145,038 million, a decrease of ¥12,264 million compared with the end of the previous fiscal year. This was mainly due to a decrease of ¥6,490 million in long-term borrowings, a decrease of ¥5,114 million in electronically recorded obligations – operating, and an increase of ¥5,220 million in short-term borrowings.

Total net assets amounted to ¥136,713 million, a decrease of ¥4,274 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥7,577 million in valuation difference on available-for-sale securities, an increase of ¥4,030 million in retained earnings, and an increase of ¥3,549 million in foreign currency translation adjustment. As a result, net assets per share were ¥6,133.88, and the equity ratio stood at 48.0%.

Cash Flows

Cash and cash equivalents (hereinafter “net cash”) in the fiscal year under review increased by ¥3,412 million from the end of the previous fiscal year to ¥26,621 million.

(Cash flows from operating activities)

Funds obtained from operating activities stood at ¥15,390 million, a decrease of ¥6,927 million from the previous fiscal year. This was mainly attributable to depreciation at ¥12,199 million, profit before income taxes at ¥8,982 million, and a decrease in trade receivables at ¥8,932 million.

(Cash flows from investing activities)

Funds used in investing activities stood at ¥1,974 million, a decrease of ¥7,428 million from the previous fiscal year. This was mainly attributable to purchase of property, plant and equipment at ¥7,902 million, proceeds from sale of investment securities at ¥3,484 million, and amount of subsidy received at ¥1,173 million.

(Cash flows from financing activities)

Funds used in financing activities stood at ¥10,828 million, a decrease of ¥1,750 million from the previous fiscal year. This was mainly attributable to repayments of long-term borrowings of ¥7,555 million, net increase in short-term borrowings at ¥6,069 million, and redemption of bonds at ¥5,000 million.

(Reference) Cash flow-related indicators

	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024
Equity ratio (%)	40.6	39.9	41.1	46.8	48.0
Equity ratio based on market value (%)	12.3	8.6	15.4	20.7	16.6
The ratio of interest-bearing debt to operating cash flow (years)	14.1	(15.6)	5.6	3.3	4.2
Interest coverage ratio (times)	11.1	(11.0)	19.6	28.4	21.1

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 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.

In response to changes in the business environment and recent performance, the Group has decided to revise its Medium-term Management Plan one year ahead of schedule. We will promptly disclose the new Medium-term Management Plan, which will begin in fiscal 2025, as soon as it is finalized.

The consolidated forecasts for fiscal 2025 include consolidated net sales of ¥302,000 million, operating profit of ¥7,000 million, ordinary profit of ¥7,100 million, and profit attributable to owners of parent of ¥7,800 million.

Note that while the anticipated increase in costs due to tariffs under U.S. trade policy has been factored in, the potential impact of a decline in demand and a resulting decrease in sales volume has not.

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

With respect to the year-end dividend for the current fiscal year, the Group has set a target payout ratio of 30%-35% of profit attributable to owners of the parent company, excluding one-time gains or losses that do not involve changes in cash and deposits. The planned year-end dividend has been determined with due consideration for maintaining a stable dividend and is expected to be ¥73 per share. The interim dividend was ¥30 per share, resulting in an annual dividend of ¥103 per share.

Regarding the dividend for the next fiscal year, we plan to pay an annual dividend of ¥130 per share.

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.

3. Consolidated Financial Statements and Important Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	25,014	27,474
Notes and accounts receivable - trade, and contract assets	70,408	62,090
Merchandise and finished goods	27,117	27,800
Work in process	8,005	7,313
Raw materials and supplies	19,715	19,734
Other	6,991	10,865
Allowance for doubtful accounts	(40)	(93)
Total current assets	157,212	155,185
Non-current assets		
Property, plant and equipment		
Buildings and structures	97,745	100,081
Accumulated depreciation	(72,354)	(75,469)
Buildings and structures, net	25,391	24,611
Machinery, equipment and vehicles	229,588	233,339
Accumulated depreciation	(190,739)	(198,138)
Machinery, equipment and vehicles, net	38,848	35,200
Land	15,684	15,573
Leased assets	1,613	1,754
Accumulated depreciation	(850)	(942)
Leased assets, net	762	812
Construction in progress	1,957	2,577
Other	43,421	43,750
Accumulated depreciation	(41,509)	(41,908)
Other, net	1,912	1,841
Total property, plant and equipment	84,558	80,616
Intangible assets		
Other	3,400	3,436
Total intangible assets	3,400	3,436
Investments and other assets		
Investment securities	42,580	30,748
Long-term loans receivable	204	219
Deferred tax assets	613	819
Retirement benefit asset	529	494
Other	9,274	10,310
Allowance for doubtful accounts	(81)	(80)
Total investments and other assets	53,119	42,512
Total non-current assets	141,079	126,566
Total assets	298,291	281,751

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	31,494	30,375
Electronically recorded obligations - operating	20,889	15,775
Short-term borrowings	21,059	26,280
Current portion of bonds payable	5,000	5,000
Lease liabilities	162	228
Income taxes payable	2,152	2,171
Other	15,465	16,021
Total current liabilities	96,223	95,852
Non-current liabilities		
Bonds payable	30,000	25,000
Long-term borrowings	18,381	11,891
Lease liabilities	379	394
Deferred tax liabilities	5,932	1,088
Provision for corporate officers' retirement benefits	197	157
Provision for share awards for directors (and other officers)	51	42
Provision for retirement benefits for directors (and other officers)	15	19
Reserve for repairs	225	265
Retirement benefit liability	4,198	7,240
Asset retirement obligations	268	1,658
Other	1,428	1,427
Total non-current liabilities	61,079	49,186
Total liabilities	157,303	145,038
Net assets		
Shareholders' equity		
Share capital	20,983	20,983
Capital surplus	18,606	18,622
Retained earnings	69,953	73,984
Treasury shares	(2,503)	(4,210)
Total shareholders' equity	107,040	109,379
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,545	12,968
Deferred gains or losses on hedges	1	(9)
Foreign currency translation adjustment	7,319	10,868
Remeasurements of defined benefit plans	4,774	2,070
Total accumulated other comprehensive income	32,641	25,898
Non-controlling interests	1,306	1,435
Total net assets	140,988	136,713
Total liabilities and net assets	298,291	281,751

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	333,992	300,610
Cost of sales	288,114	258,181
Gross profit	45,878	42,429
Selling, general and administrative expenses	35,438	37,128
Operating profit	10,440	5,300
Non-operating income		
Interest income	139	172
Dividend income	784	956
Foreign exchange gains	726	—
Share of profit of entities accounted for using equity method	—	760
Compensation income	—	513
Other	505	418
Total non-operating income	2,156	2,821
Non-operating expenses		
Interest expenses	833	748
Foreign exchange losses	—	500
Share of loss of entities accounted for using equity method	797	—
Facilities relocation expenses	—	186
Other	503	439
Total non-operating expenses	2,134	1,875
Ordinary profit	10,462	6,246
Extraordinary income		
Gain on sale of non-current assets	178	231
Gain on sale of investment securities	20	5,383
Subsidy income	—	268
Gain on reversal of foreign currency translation adjustment	270	—
Total extraordinary income	468	5,883
Extraordinary losses		
Loss on sale of non-current assets	30	27
Loss on retirement of non-current assets	279	239
Impairment losses	5,762	1,554
Loss on valuation of investment securities	—	18
Loss on tax purpose reduction entry of non-current assets	—	268
Loss on withdrawal from business	1,076	—
Loss on business restructuring	265	747
Surcharge	—	291
Total extraordinary losses	7,413	3,147
Profit before income taxes	3,517	8,982
Income taxes - current	2,839	3,349
Income taxes - deferred	(4,140)	(875)
Total income taxes	(1,301)	2,474
Profit	4,818	6,508
Profit attributable to non-controlling interests	142	121
Profit attributable to owners of parent	4,676	6,387

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	4,818	6,508
Other comprehensive income		
Valuation difference on available-for-sale securities	10,731	(7,675)
Deferred gains or losses on hedges	6	(10)
Foreign currency translation adjustment	2,006	3,092
Remeasurements of defined benefit plans, net of tax	3,838	(2,705)
Share of other comprehensive income of entities accounted for using equity method	484	652
Total other comprehensive income	17,067	(6,646)
Comprehensive income	21,886	(138)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,657	(355)
Comprehensive income attributable to non-controlling interests	229	217

(3) Consolidated Statements of Changes in Net Assets

Previous consolidated fiscal year (April 1, 2023 - March 31, 2024)

(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	67,518	(2,503)	104,604
Changes during period					
Dividends of surplus			(2,240)		(2,240)
Profit attributable to owners of parent			4,676		4,676
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares				4	4
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,435	0	2,436
Balance at end of period	20,983	18,606	69,953	(2,503)	107,040

	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	9,693	(4)	5,064	908	15,661	1,159	121,425
Changes during period							
Dividends of surplus							(2,240)
Profit attributable to owners of parent							4,676
Purchase of treasury shares							(3)
Disposal of treasury shares							4
Net changes in items other than shareholders' equity	10,852	6	2,255	3,866	16,980	147	17,127
Total changes during period	10,852	6	2,255	3,866	16,980	147	19,563
Balance at end of period	20,545	1	7,319	4,774	32,641	1,306	140,988

Consolidated fiscal year under review (April 1, 2024 - 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

(4) Consolidated Cash Flow Statements

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,517	8,982
Depreciation	12,787	12,199
Impairment losses	5,762	1,554
Amortization of goodwill	124	124
Compensation income	—	(513)
Facilities relocation expenses	—	186
Subsidy income	—	(268)
Gain on reversal of foreign currency translation adjustment	(270)	—
Loss on tax purpose reduction entry of non-current assets	—	268
Loss on withdrawal from business	1,076	—
Loss on business restructuring surcharge	265	747
Increase (decrease) in allowance for doubtful accounts	—	291
Increase (decrease) in provision for corporate officers' retirement benefits	(0)	52
Increase (decrease) in provision for scheduled repairs	47	(39)
Increase (decrease) in retirement benefit liability	(216)	39
Interest and dividend income	(273)	(844)
Interest expenses	(923)	(1,128)
Share of loss (profit) of entities accounted for using equity method	833	748
Loss (gain) on sale of short-term and long-term investment securities	797	(760)
Loss (gain) on valuation of short-term and long-term investment securities	(20)	(5,383)
Loss (gain) on valuation of short-term and long-term investment securities	—	18
Gain(loss)on sales and disposal of property,plant and equipment,net	131	35
Decrease (increase) in trade receivables	1,863	8,932
Decrease (increase) in inventories	3,621	1,441
Increase (decrease) in trade payables	(2,482)	(6,632)
other	(3,049)	(1,070)
Subtotal	23,591	18,981
Interest and dividends received	1,039	1,146
Interest paid	(785)	(728)
Proceeds from compensation	—	513
Payments of facilities relocation expenses	—	(15)
Payments for loss on withdrawal from business	(10)	(695)
Payments for loss on business restructuring	—	(556)
Income taxes paid	(1,517)	(3,255)
Net cash provided by (used in) operating activities	22,318	15,390

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Net decrease (increase) in time deposits	(599)	1,130
Purchase of property, plant and equipment	(8,561)	(7,902)
Proceeds from sale of property, plant and equipment	453	690
Purchase of investment securities	(14)	(38)
Proceeds from sale of investment securities	100	3,484
Loan advances	(18)	(43)
Proceeds from collection of loans receivable	17	31
Purchase of intangible assets	(777)	(474)
Subsidies received	—	1,173
Other, net	(4)	(25)
Net cash provided by (used in) investing activities	(9,403)	(1,974)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,154	6,069
Proceeds from long-term borrowings	700	—
Repayments of long-term borrowings	(11,911)	(7,555)
Proceeds from issuance of bonds	4,963	—
Redemption of bonds	(7,000)	(5,000)
Increase (decrease) in deposit payable in cash	30	80
Repayments of lease liabilities	(195)	(237)
Purchase of treasury shares	(3)	(1,746)
Dividends paid	(2,233)	(2,349)
Dividends paid to non-controlling interests	(82)	(89)
Net cash provided by (used in) financing activities	(12,578)	(10,828)
Effect of exchange rate change on cash and cash equivalents	284	825
Net increase (decrease) in cash and cash equivalents	620	3,412
Cash and cash equivalents at beginning of period	22,588	23,208
Cash and cash equivalents at end of period	23,208	26,621

(5) Notes Regarding the Consolidated Financial Statements

(Note related to going-concern assumption)

Not applicable.

(Note on changes in accounting policies)

(Application of accounting standard for current income taxes, etc.)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; “2022 Revised Accounting Standard”) has been applied from the beginning of the first quarter of the fiscal year.

With regard to the revisions concerning the accounting classification of income taxes (taxation on other comprehensive income), these are subject to the provisional treatment set forth in the proviso of paragraph 20-3 of the 2022 Revised Accounting Standard and the provisional treatment set forth in the proviso of paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; “2022 Revised Guidance”). This change has no impact on the quarterly consolidated financial statements.

In addition, the Company has adopted the 2022 Revised Guidance for the revisions related to the review of the treatment in consolidated financial statements deferring gains or losses on sales of investments in subsidiaries among consolidated companies for tax purposes, effective from the beginning of the first quarter of the fiscal year. The change in accounting policy has been applied retrospectively, and the quarterly consolidated financial statements of the previous fiscal year and the consolidated financial statements of the previous fiscal year have been prepared on a retrospective basis. This change has no impact on the quarterly consolidated financial statements of the previous fiscal year or the consolidated financial statements of the previous fiscal year.

(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.

(Changes in reportable segments)

Effective from regarding the current fiscal year under review, the reportable segment previously listed as “Leasing” is now included in “Others” due to its decreased quantitative importance.

Effective from regarding the current fiscal year under review, the reportable segment previously listed as “Power Business” is now included in “Others” due to the elimination of the business in the previous consolidated fiscal year.

The segment information of the previous fiscal year is presented based on the reportable segment classification after the change.

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, 2023 - March 31, 2024)

(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	110,822	201,632	312,455	21,537	333,992	—	333,992
Internal sales or transfer between segments	21,753	—	21,753	—	21,753	(21,753)	—
Total	132,576	201,632	334,209	21,537	355,746	(21,753)	333,992
Segment profit	9,638	5,426	15,065	1,228	16,293	(5,853)	10,440

(Notes) 1. The category “Others” includes the business segment not included in the reportable segments and includes wholesale power supply, 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 ¥5,853 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, 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.

(Information per share)

	Previous consolidated fiscal year (from April 1, 2023 to March 31, 2024)	Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)
Net assets per share	6,119.46 yen	6,133.88 yen
Profit per share	204.88 yen	281.13 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 (34 thousand shares for the previous consolidated fiscal year and 45 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 (35 thousand shares for the previous consolidated fiscal year and 47 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, 2023 to March 31, 2024)	Consolidated fiscal year under review (from April 1, 2024 to March 31, 2025)
Profit attributable to owners of parent (million yen)	4,676	6,387
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent in relation to common shares (million yen)	4,676	6,387
Average number of shares during the fiscal year (thousand shares)	22,825	22,719

(Important events after the reporting period)

Not applicable.