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May 7, 2026

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



Company name: Tokyo Tekko Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 5445  
 URL: <https://www.tokyotekko.co.jp/en/>  
 Representative: Tsunebumi Yoshihara, Chairman  
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Scheduled date of annual general meeting of shareholders: June 25, 2026  
 Scheduled date to commence dividend payments: June 3, 2026  
 Scheduled date to file annual securities report: June 25, 2026  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: Yes (for analysts and institutional investors)

(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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	72,540	(12.2)	12,042	(17.9)	12,040	(20.0)	8,075	(25.6)
March 31, 2025	82,593	3.7	14,676	38.1	15,059	32.0	10,853	37.6

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥8,421 million [(18.7)%]  
 For the fiscal year ended March 31, 2025: ¥10,359 million [17.1%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	315.59	—	13.1	14.9	16.6
March 31, 2025	412.92	—	19.2	18.9	17.8

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2026: ¥(125) million  
 For the fiscal year ended March 31, 2025: ¥266 million

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Basic earnings per share is calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2025.

**(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	80,449	63,416	78.8	2,506.34
March 31, 2025	81,247	59,713	73.5	2,288.19

Reference: Equity As of March 31, 2026: ¥63,387 million  
 As of March 31, 2025: ¥59,681 million

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Net assets per share is calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2025.

### (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	5,181	(6,961)	(5,222)	7,162
March 31, 2025	8,183	(5,596)	(4,762)	14,161

### 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	–	100.00	–	275.00	375.00	3,270	30.3	5.8
Fiscal year ended March 31, 2026	–	100.00	–	200.00	300.00	2,539	31.7	4.2
Fiscal year ending March 31, 2027 (Forecast)	–	40.00	–	60.00	100.00		36.0	

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

The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Cash dividends for the fiscal years ended March 31, 2025 and March 31, 2026 represent the actual cash dividends before the stock split. Cash dividends for the fiscal year ending March 31, 2027 (forecast) are the figures after the stock split. The annual cash dividend for the fiscal year ending March 2027 (forecast) without considering the stock split is ¥300.

### 3. Consolidated financial results forecast 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
Full year	76,000	4.8	10,000	(17.0)	10,000	(16.9)	7,100	(12.1)	277.46

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Basic earnings per share in the consolidated financial results forecast for the fiscal year ending March 2027 takes into account the impact of the stock split.

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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	25,335,915 shares
As of March 31, 2025	28,095,915 shares

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

As of March 31, 2026	45,129 shares
As of March 31, 2025	2,013,327 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	25,589,398 shares
Fiscal year ended March 31, 2025	26,285,469 shares

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. "Total number of issued shares at the end of the period," "Number of treasury shares at the end of the period" and "Average number of shares outstanding during the period" are calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2025.

**[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	70,356	(12.6)	11,704	(15.6)	12,296	(18.3)	8,748	(20.9)
March 31, 2025	80,483	5.0	13,868	37.2	15,055	26.2	11,063	28.2

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2026	341.63	—
March 31, 2025	420.58	—

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Basic earnings per share is calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2025.

**(2) Non-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	74,380	57,660	77.5	2,278.20
March 31, 2025	74,688	53,350	71.4	2,043.94

Reference: Equity As of March 31, 2026: ¥57,660 million  
As of March 31, 2025: ¥53,350 million

Note: The Company implemented a three-for-one stock split of its common stock effective April 1, 2026. Net assets per share is calculated on the assumption that the stock split was implemented at the beginning of the fiscal year ended March 31, 2025.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Note on forward-looking statements)

The financial results forecast outlook and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. The Company does not guarantee the achievement of the forecasted results, and actual results may differ significantly from the forecasted results due to various factors.

## 1. Overview of Operating Results

### (1) Overview of Operating Results for the Fiscal Year Under Review

In the fiscal year under review, the Japanese economy continued its gradual recovery thanks to firm corporate capital investment and improvements in the employment and income environment and other factors. On the other hand, the outlook remains uncertain due to rising prices that offset the effects of wage increases in Japan, and, overseas, the situation in Ukraine, which has no exit in sight, rising energy prices caused by the outbreak of the Middle East conflict, and rising petroleum-related product prices and concerns about their supply stability.

In the electric furnace and rebar industry to which we belong, sharp rises from the latter half of the fiscal year in the price of iron scrap, our primary raw material, labor shortages, and soaring construction expenses caused construction delays and led to the review of construction plans. As a result, shipment volume of rebar stagnated and the harsh environment surrounding the industry continued.

Against this backdrop, we continued to focus on proposing products and construction methods that contribute to lower labor and manpower requirements at construction sites, working to reinforce profit by promoting sales of our high-value-added products, mainly our core product Neji-Tetsu-Con (hot rolled threaded rebar), and making efforts to improve product prices and reduce various costs in response to rising prices of key raw materials and other materials.

As a result, consolidated net sales for the fiscal year under review decreased ¥10,052 million (down 12.2%) year on year to ¥72,540 million due to a decrease in shipment volume of rebar and rebar-related products.

In terms of profit, operating profit amounted to ¥12,042 million, down ¥2,634 million, or 17.9%, year on year, ordinary profit amounted to ¥12,040 million, down ¥3,019 million, or 20.0%, year on year, and profit attributable to owners of parent amounted to ¥8,075 million, down ¥2,778 million, or 25.6%, year on year.

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

#### (a) Assets

As of March 31, 2026, total assets stood at ¥80,449 million, down ¥797 million from the end of the previous fiscal year.

This was mainly due to decreases in cash and deposits.

#### (b) Liabilities

Total liabilities stood at ¥17,033 million, down ¥4,500 million from the end of the previous fiscal year.

This was mainly due to decreases in income taxes payable.

#### (c) Net assets

Total net assets stood at ¥63,416 million, up ¥3,702 million from the end of the previous fiscal year.

This was mainly due to an increase in retained earnings and a decrease in treasury shares. As a result, equity-to-asset ratio at the end of the fiscal year under review was 78.8%.

### (3) Overview of Cash Flows for the Fiscal Year Under Review

As of March 31, 2026, cash and cash equivalents stood at ¥7,162 million, down ¥6,998 million from the end of the previous fiscal year. The status of cash flows and factors affecting cash flows are as follows.

#### (a) Cash flows from operating activities

Net cash provided by operating activities was ¥5,181 million, mainly due to profit before income taxes and depreciation.

#### (b) Cash flows from investment activities

Net cash used in investing activities was ¥6,961 million due to purchase of property, plant and equipment, etc.

#### (c) Cash flows from financing activities

Net cash used in financing activities was ¥5,222 million due to dividends paid, etc.

#### (4) Future Outlook

Domestic construction demand is expected to remain uncertain over the medium to long term due to economic maturity and ever-declining birthrates. On the other hand, demand for redevelopment projects and factory/warehouse projects in major cities is expected to remain strong.

As steel bars demand remains sluggish, the business environment in the electric furnace and rebar industry is expected to remain uncertain as various costs are expected to remain high due to a variety of factors, including a rise in the price of iron scrap, the primary raw material.

Amid this environment, based on the Medium-term Management Policy described below that began in fiscal year 2026, we will strive to increase profit and corporate value by proposing labor-saving solutions that contribute to solving customer issues, expanding sales of our high-value-added large-diameter, high-strength rebar products (expanding regions and targeting not only high-rise buildings but also small- to medium-sized properties), reducing production and logistics costs, and promoting DX strategies.

In the fiscal year ending March 31, 2027, we are forecasting consolidated net sales of ¥76.0 billion, consolidated operating profit of ¥10.0 billion, consolidated ordinary profit of ¥10.0 billion, and profit attributable to owners of parent of ¥7.1 billion.

#### Medium-term Management Policy

Under its three-year Medium-term Management Policy that began in FY2023, the Company focused on proposing products and construction methods that contribute greatly to lower manpower requirements and other issues at construction sites and that respond appropriately to customers' needs, working to increase profit and enhance corporate value by promoting sales of our core high-valued-added products.

As a result, we achieved all three of our management targets, namely consolidated ordinary profit of ¥7.0 billion or more (three-year average), ROE of 10.0% or more, and consolidated dividend payout ratio of 30% or more.

In our new Medium-term Management Policy (three years), which begins in FY2026, recognizing that the external environment surrounding the Company will remain harsh due to factors such as the trend of decline in rebar demand against the backdrop of a shrinking population and the penetration of workstyle reforms on construction sites, we will build a resilient earnings structure aimed at achieving further growth. We will realize this by working to strengthen our high-profit structure, create profitable systems, promote DX strategies, and advance sustainability management.

We have set out management targets of consolidated ordinary profit averaging ¥10.0 billion or more over three years, ROE of 11.0% or more, and consolidated dividend payout ratio of 35–40%.

#### (5) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Under Review

Our basic policy for profit distribution is to distribute profit in a stable manner based on performance, while maintaining a financial structure that can withstand changing market conditions and considering the investments necessary to ensure the continuity of our core businesses.

We have continued to position profit distribution as a key management issue in our new Medium-term Management Policy and are aiming for a consolidated payout ratio of 35% to 40%, higher than the previous target of 30% or more.

In the fiscal year ending March 31, 2027, based on our full-year financial results forecast and the above basic policy, we plan to pay an annual dividend of ¥100 (post-stock split basis; pre-stock split basis: ¥300) per share, including an interim dividend of ¥40 (post-stock split basis; pre-stock split basis: ¥120).

## 2. Basic Policy on Selection of Accounting Standards

At the Tokyo Tekko Group, we use Japanese GAAP.

In terms of our future use of International Financial Reporting Standards (IFRS), we will respond as appropriate in line with circumstances in Japan and overseas.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	14,171	7,172
Notes and accounts receivable - trade	7,774	7,741
Electronically recorded monetary claims - operating	4,527	6,721
Merchandise and finished goods	9,995	9,818
Raw materials and supplies	2,633	3,165
Other	1,488	2,163
Total current assets	40,591	36,783
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,915	22,902
Accumulated depreciation	(13,991)	(14,305)
Buildings and structures, net	4,923	8,596
Machinery, equipment and vehicles	57,384	59,598
Accumulated depreciation	(45,370)	(46,678)
Machinery, equipment and vehicles, net	12,014	12,919
Land	9,257	9,031
Leased assets	196	237
Accumulated depreciation	(105)	(92)
Leased assets, net	91	145
Construction in progress	3,017	1,230
Other	4,657	5,026
Accumulated depreciation	(3,771)	(3,935)
Other, net	885	1,090
Total property, plant and equipment	30,189	33,013
Intangible assets	136	215
Investments and other assets		
Investment securities	8,378	8,700
Retirement benefit asset	892	1,060
Deferred tax assets	355	187
Other	724	510
Allowance for doubtful accounts	(22)	(22)
Total investments and other assets	10,328	10,436
Total non-current assets	40,655	43,665
Total assets	81,247	80,449

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,974	3,704
Electronically recorded obligations - operating	854	427
Electronically recorded obligations - non-operating	73	208
Current portion of long-term borrowings	1,792	1,231
Lease liabilities	37	49
Income taxes payable	2,925	1,562
Provision for bonuses	1,018	1,050
Provision for bonuses for directors (and other officers)	122	107
Other	4,788	2,606
Total current liabilities	15,586	10,947
Non-current liabilities		
Long-term borrowings	3,190	3,359
Lease liabilities	58	108
Deferred tax liabilities for land revaluation	358	358
Retirement benefit liability	1,936	1,845
Asset retirement obligations	85	97
Other	317	317
Total non-current liabilities	5,946	6,085
<b>Total liabilities</b>	<b>21,533</b>	<b>17,033</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,839	5,839
Capital surplus	1,862	1,851
Retained earnings	51,234	52,594
Treasury shares	(2,051)	(43)
Total shareholders' equity	56,885	60,242
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,012	2,349
Revaluation reserve for land	784	784
Foreign currency translation adjustment	9	6
Remeasurements of defined benefit plans	(9)	4
Total accumulated other comprehensive income	2,796	3,144
Non-controlling interests	31	28
<b>Total net assets</b>	<b>59,713</b>	<b>63,416</b>
<b>Total liabilities and net assets</b>	<b>81,247</b>	<b>80,449</b>

## (2) 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	82,593	72,540
Cost of sales	59,216	52,083
Gross profit	23,376	20,457
Selling, general and administrative expenses		
Transportation costs	3,336	2,880
Salaries	1,278	1,380
Retirement benefit expenses	43	14
Provision for bonuses	370	368
Provision for bonuses for directors (and other officers)	122	107
Depreciation	41	48
Rent expenses	560	583
Outsourcing expenses	372	376
Research and development expenses	274	320
Other	2,301	2,334
Total selling, general and administrative expenses	8,699	8,414
Operating profit	14,676	12,042
Non-operating income		
Interest income	11	20
Dividend income	136	134
Rental income from facilities	21	21
Purchase discounts	72	45
Insurance claim income	0	25
Share of profit of entities accounted for using equity method	266	–
Miscellaneous income	62	57
Total non-operating income	571	304
Non-operating expenses		
Interest expenses	83	91
Commission expenses	44	75
Foreign exchange losses	56	9
Share of loss of entities accounted for using equity method	–	125
Other	5	5
Total non-operating expenses	188	307
Ordinary profit	15,059	12,040

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Extraordinary income</b>		
Gain on sale of non-current assets	5	5
National subsidies	–	85
Gain on sale of investment securities	247	–
Gain on sale of businesses	64	–
Insurance claim income	–	127
Other extra ordinary gain	1	1
Total extraordinary income	318	219
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	1	2
Loss on retirement of non-current assets	119	166
Loss on tax purpose reduction entry of non-current assets	–	85
Impairment losses	–	228
Loss on sale of investment securities	22	–
Other extraordinary loss	1	0
Total extraordinary losses	144	483
Profit before income taxes	15,233	11,775
Income taxes - current	4,363	3,663
Income taxes - deferred	33	39
Total income taxes	4,396	3,703
Profit	10,836	8,072
Loss attributable to non-controlling interests	(17)	(2)
Profit attributable to owners of parent	10,853	8,075

## 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	10,836	8,072
Other comprehensive income		
Valuation difference on available-for-sale securities	(473)	298
Revaluation reserve for land	(10)	–
Foreign currency translation adjustment	1	(2)
Remeasurements of defined benefit plans, net of tax	4	4
Share of other comprehensive income of entities accounted for using equity method	1	48
Total other comprehensive income	(476)	348
Comprehensive income	10,359	8,421
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,377	8,424
Comprehensive income attributable to non-controlling interests	(17)	(2)

### (3) 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	5,839	1,851	43,210	(1,063)	49,838
Changes during period					
Dividends of surplus			(2,829)		(2,829)
Profit attributable to owners of parent			10,853		10,853
Purchase of treasury shares				(1,000)	(1,000)
Disposal of treasury shares		11		12	23
Net changes in items other than shareholders' equity					
Total changes during period	-	11	8,024	(988)	7,047
Balance at end of period	5,839	1,862	51,234	(2,051)	56,885

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,491	794	7	(21)	3,273	48	53,160
Changes during period							
Dividends of surplus							(2,829)
Profit attributable to owners of parent							10,853
Purchase of treasury shares							(1,000)
Disposal of treasury shares							23
Net changes in items other than shareholders' equity	(479)	(10)	1	11	(476)	(17)	(494)
Total changes during period	(479)	(10)	1	11	(476)	(17)	6,553
Balance at end of period	2,012	784	9	(9)	2,796	31	59,713

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	5,839	1,862	51,234	(2,051)	56,885
Changes during period					
Dividends of surplus			(3,245)		(3,245)
Profit attributable to owners of parent			8,075		8,075
Purchase of treasury shares				(1,502)	(1,502)
Disposal of treasury shares		10		18	28
Cancellation of treasury shares		(21)	(3,471)	3,492	–
Net changes in items other than shareholders' equity					
Total changes during period	–	(11)	1,359	2,008	3,357
Balance at end of period	5,839	1,851	52,594	(43)	60,242

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,012	784	9	(9)	2,796	31	59,713
Changes during period							
Dividends of surplus							(3,245)
Profit attributable to owners of parent							8,075
Purchase of treasury shares							(1,502)
Disposal of treasury shares							28
Cancellation of treasury shares							–
Net changes in items other than shareholders' equity	336		(2)	14	348	(2)	345
Total changes during period	336	–	(2)	14	348	(2)	3,702
Balance at end of period	2,349	784	6	4	3,144	28	63,416

## (4) 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	15,233	11,775
Depreciation	2,226	2,489
Impairment losses	–	228
Amortization of intangible assets	55	58
Increase (decrease) in allowance for doubtful accounts	(2)	–
Increase (decrease) in provision for bonuses	(9)	32
Increase (decrease) in provision for bonuses for directors (and other officers)	43	(15)
Increase (decrease) in retirement benefit liability	(68)	(243)
Interest and dividend income	(147)	(154)
Interest expenses	83	91
Share of loss (profit) of entities accounted for using equity method	(266)	125
Loss (gain) on sale of investment securities	(224)	–
Insurance claim income	(0)	(153)
Loss on retirement of property, plant and equipment	119	166
Loss (gain) on sale of property, plant and equipment	(4)	(2)
Loss on retirement of intangible assets	–	0
Loss on tax purpose reduction entry of non-current assets	–	85
Subsidy income	–	(85)
Loss (gain) on sale of businesses	(64)	–
Decrease (increase) in trade receivables	(2,579)	(2,158)
Decrease (increase) in inventories	1,135	(354)
Increase (decrease) in trade payables	(1,935)	(696)
Decrease (increase) in consumption taxes refund receivable	(99)	(289)
Increase (decrease) in accrued consumption taxes	(179)	(817)
Decrease (increase) in other current assets	(304)	(376)
Increase (decrease) in other current liabilities	56	114
Decrease (increase) in other non-current assets	(641)	206
Other, net	11	31
Subtotal	12,436	10,058
Interest and dividends received	182	180
Interest paid	(87)	(93)
Income taxes paid	(4,119)	(4,865)
Income taxes refund	23	9
Other payments	(252)	(260)
Other proceeds	0	153
Net cash provided by (used in) operating activities	8,183	5,181

(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>		
Purchase of property, plant and equipment	(5,979)	(6,973)
Proceeds from sale of property, plant and equipment	5	5
Purchase of intangible assets	(43)	(21)
Proceeds from sale of investment securities	408	–
Payments into time deposits	(20)	(20)
Proceeds from withdrawal of time deposits	20	20
Other, net	12	28
Net cash provided by (used in) investing activities	(5,596)	(6,961)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	–	1,400
Repayments of long-term borrowings	(907)	(1,792)
Repayments of lease liabilities	(40)	(49)
Purchase of treasury shares	(1,000)	(1,502)
Dividends paid	(2,823)	(3,238)
Proceeds from sale of treasury shares	–	0
Other, net	8	(40)
Net cash provided by (used in) financing activities	(4,762)	(5,222)
Effect of exchange rate change on cash and cash equivalents	(3)	3
Net increase (decrease) in cash and cash equivalents	(2,179)	(6,998)
Cash and cash equivalents at beginning of period	16,341	14,161
Cash and cash equivalents at end of period	14,161	7,162

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Segment information, etc.)

[Segment information]

1. Overview of reportable segment

The Company's reportable segment is aggregated from components of the Company for which separate financial information is available and which are regularly reviewed by the Board of Directors for the purpose of making decisions on allocating management resources and evaluating performance. This consists of the components related to our primary business activities, the manufacturing and sale of steel bars, referred to as the "Steel Business."

In the Steel Business, we manufacture and sell steel bars and processed steel bar products.

2. Calculation method of net sales, profit (loss), assets, liabilities and other items by reportable segment

The accounting method for the reported business segments is generally the same as the method described in "Significant accounting policies for preparation of consolidated financial statements."

Profit for the reportable segment consists of figures based on operating profit.

Inter-segment internal revenue and transfers are based on prevailing market prices.

3. Information on net sales, profit (loss), assets, liabilities and other items by reportable segment and information on the breakdown of profit

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment	Amount recorded in the Consolidated Financial Statements
	Steel Business				
Net sales					
Revenue from contracts with customers	81,454	1,138	82,593	–	82,593
Net sales to outside customers	81,454	1,138	82,593	–	82,593
Inter-segment net sales or transfers	148	4,229	4,378	(4,378)	–
Total	81,603	5,368	86,971	(4,378)	82,593
Segment profit	14,303	339	14,643	33	14,676
Segment asset	79,460	2,183	81,643	(396)	81,247
Other items					
Depreciation	2,184	97	2,282	–	2,282
Investments in entities accounted for using equity method	4,556	–	4,556	–	4,556
Increase in property, plant and equipment and intangible assets	5,828	122	5,950	(86)	5,863

- (Notes) 1. “Others” represents business segments that are not included in the reportable segment and includes freight transportation, equipment maintenance services, and other businesses.
2. The adjustments are as follows:
- (1) The adjustment for segment profit of ¥33 million is the elimination of inter-segment transactions.
  - (2) The adjustment for segment asset of ¥(396) million is the elimination of inter-segment receivables.
  - (3) The adjustment for an increase in property, plant and equipment and intangible assets of ¥(86) million is the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit reported in the Consolidated Statement of Income.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment	Others	Total	Adjustment	Amount recorded in the Consolidated Financial Statements
	Steel Business				
Net sales					
Revenue from contracts with customers	71,575	964	72,540	–	72,540
Net sales to outside customers	71,575	964	72,540	–	72,540
Inter-segment net sales or transfers	27	3,802	3,830	(3,830)	–
Total	71,603	4,767	76,370	(3,830)	72,540
Segment profit	11,783	227	12,011	30	12,042
Segment asset	78,667	2,185	80,853	(403)	80,449
Other items					
Depreciation	2,461	86	2,548	–	2,548
Investments in entities accounted for using equity method	228	–	228	–	228
Investments in entities accounted for using equity method	4,453	–	4,453	–	4,453
Increase in property, plant and equipment and intangible assets	5,745	59	5,805	(3)	5,801

- (Notes) 1. “Others” represents business segments that are not included in the reportable segment and includes freight transportation, equipment maintenance services, and other businesses.
2. The adjustments are as follows:
- (1) The adjustment for segment profit of ¥30 million is the elimination of inter-segment transactions.
  - (2) The adjustment for segment asset of ¥(403) million is the elimination of inter-segment receivables.
  - (3) The adjustment for an increase in property, plant and equipment and intangible assets of ¥(3) million is the elimination of inter-segment transactions.
3. Segment profit is adjusted with operating profit reported in the Consolidated Statement of Income.

(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	¥2,288.19	¥2,506.34
Basic earnings per share	¥412.92	¥315.59

- (Notes)
1. The Company conducted a three-for-one stock split of its common shares effective April 1, 2026. Accordingly, net assets per share and basic earnings per share is calculated on the assumption that this stock split was conducted at the beginning of the previous fiscal year ended March 31, 2025.
  2. Diluted earnings per share is not presented as there are no dilutive shares.
  3. Basic earnings per share are calculated on the following basis.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (millions of yen)	10,853	8,075
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent related to common shares (millions of yen)	10,853	8,075
Average number of common shares outstanding during the period	26,285,469	25,589,398

4. Net assets per share are calculated on the following basis.

	As of March 31, 2025	As of March 31, 2026
Total net assets (millions of yen)	59,713	63,416
Amount deducted from total net assets (millions of yen)	31	28
[of which, non-controlling interests (millions of yen)]	[31]	[28]
Net assets at the end of the period related to common shares (millions of yen)	59,681	63,387
Number of common shares at the end of the period used for calculating net assets per share	26,082,588	25,290,786

(Significant subsequent events)

Acquisition of own shares

At a meeting of the Board of Directors held on May 7, 2026, the Company resolved the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, Paragraph 3 of the same Act. The details are described below.

1. Reason for acquisition of own shares

The reason for the acquisition of own shares is to implement flexible capital policies in response to changes in the business environment, for the purpose of enhancing shareholder returns and improving capital efficiency.

2. Details of matters related to acquisition

- |  |  |
|--|--|
| (1) Class of shares to be acquired:          | Common shares of the Company   |
| (2) Total number of shares to be acquired:   | 350,000 shares (maximum)<br>(1.38% of total number of issued shares (excluding treasury shares)) |
| (3) Total amount of share acquisition costs: | ¥500 million (maximum)   |
| (4) Acquisition period:                      | From May 11, 2026 to June 30, 2026   |

Stock split and changes to Articles of Incorporation in connection with stock split

At a meeting of the Board of Directors held on January 30, 2026, the Company resolved to conduct a stock split and make partial changes to its Articles of Incorporation in connection with the stock split.

1. Stock split

(1) Purpose

The Company lowers the investment amount per trading unit to create a more accessible investment environment for investors and to expand the investor base who supports the Company's sustainable growth.

(2) Details

(i) Method of the split

As of March 31, 2026 (record date), the Company will conduct a three-for-one stock split of the common shares held by shareholders recorded in the shareholder registry at the end of that day.

(ii) Increase in the number of shares due to the split

Total number of shares issued before the stock split	8,445,305 shares
Increase in the total number of shares due to the split	16,890,610 shares
Total number of shares issued after the stock split	25,335,915 shares
Total number of authorized shares after the stock split	84,000,000 shares

(iii) Schedule

Public notice of the record date	March 16, 2026
Record Date	March 31, 2026
Effective Date	April 1, 2026

2. Partial changes to Articles of Incorporation in connection with stock split

(1) Reason

To change the total number of authorized shares following the stock split in accordance with Article 184, Paragraph 2 of the Companies Act.

(2) Details

(Changes are underlined.)

Current Articles of Incorporation	Amended Articles of Incorporation
Chapter 2 Shares  (Total Number of Authorized Shares) Article 6 The total number of authorized shares to be issued by the Company shall be <u>twenty-eight million (28,000,000)</u> shares.	Chapter 2 Shares  (Total Number of Authorized Shares) Article 6 The total number of authorized shares to be issued by the Company shall be <u>eighty-four million (84,000,000)</u> shares.

(3) Schedule

Effective date of the changes to the Articles of Incorporation: April 1, 2026

3. Other

(1) Change to the amount of shareholders' capital

When the stock split is conducted, there will be no change in the amount of shareholders' capital.

(2) Dividends

As the effective date of the stock split is April 1, 2026, the year-end dividend for the fiscal year ending March 2026, for which the record date is March 31, 2026, will be paid for the total number of shares before the stock split.