

**Consolidated Financial Results for the First Quarter
of the Fiscal Year Ending March 31, 2026 (FY3/26)
(Three Months Ended June 30, 2025)**

[Japanese GAAP]

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Listing: Tokyo Stock Exchange
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Scheduled date of payment of dividend: –
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: None

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter (April 1, 2025 to June 30, 2025) of FY3/26**(1) Consolidated results of operations**

(Percentages represent 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	%
Three months ended Jun. 30, 2025	52,769	0.3	4,196	3.3	5,125	0.1	3,401	6.0
Three months ended Jun. 30, 2024	52,595	3.0	4,061	40.4	5,120	37.1	3,210	59.1

Note: Comprehensive income (millions of yen):
 Three months ended Jun. 30, 2025: 1,428 (down 75.4%)
 Three months ended Jun. 30, 2024: 5,799 (up 1.3%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2025	23.52	23.48
Three months ended Jun. 30, 2024	22.22	22.17

Note: Yodogawa Steel Works conducted a 1-to-5 common share split effective on July 1, 2025. Net income per share and diluted net income per share have been calculated as if this share split has taken place at the beginning of the fiscal year ended March 31, 2025.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Jun. 30, 2025	255,249	209,238	74.3
As of Mar. 31, 2025	264,256	215,120	73.7

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income) (millions of yen):
 As of Jun. 30, 2025: 189,743
 As of Mar. 31, 2025: 194,720

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2025	–	100.00	–	251.00	351.00
Fiscal year ending Mar. 31, 2026	–				
Fiscal year ending Mar. 31, 2026 (Forecast)		20.00	–	40.00	60.00

Note: Revisions to the most recently announced dividend forecast: Yes

For further details, please refer to the press release “Notice Concerning Revisions to Earnings Forecasts and Dividend Forecast” dated today (August 6, 2025).

Yodogawa Steel Works conducted a 1-to-5 common share split effective on July 1, 2025. Dividends per share for the fiscal year ended March 31, 2025 are the amounts before the share split. Dividends per share for the fiscal year ending March 31, 2026 (forecast) have been adjusted to reflect the share split.

3. Consolidated Forecasts for FY3/26 (April 1, 2025 to March 31, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	103,000	(2.2)	6,900	(11.7)	8,300	(9.5)	5,500	(5.0)	38.03
Full year	199,000	(4.5)	11,600	(16.5)	17,000	(21.1)	11,500	(14.8)	79.51

Note: Revisions to the most recently announced consolidated earnings forecast: Yes

For further details, please refer to “1. Overview of Results of Operations, (3) Consolidated Forecast and Other Forward-looking Statements” on page 4 and the press release “Notice Concerning Revisions to Earnings Forecasts and Dividend Forecast” dated today (August 6, 2025).

Yodogawa Steel Works conducted a 1-to-5 common share split effective on July 1, 2025. Net income per share has been calculated by using the number of shares after the share split.

*** Notes**

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

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of issued shares (common shares)

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

As of Jun. 30, 2025:	159,186,150 shares	As of Mar. 31, 2025:	159,186,150 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2025:	14,547,086 shares	As of Mar. 31, 2025:	14,599,934 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2025:	144,625,806 shares	Three months ended Jun. 30, 2024:	144,470,883 shares
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Note: Yodogawa Steel Works conducted a 1-to-5 common share split effective on July 1, 2025. The number of shares issued at the end of the period, the number of treasury shares at the end of the period and the average number of shares outstanding during the period have been calculated as if this share split has taken place at the beginning of the fiscal year ended March 31, 2025.

* Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

* Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the management of Yodogawa Steel Works at the time the materials were prepared. These materials are not promises by Yodogawa Steel Works regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For a discussion of the assumptions for forecasts, precautions concerning usage, and other information, please refer to “1. Overview of Results of Operations, (3) Consolidated Forecast and Other Forward-looking Statements” on page 4.

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1. Overview of Results of Operations

(1) Results of Operations

During the first three months of the fiscal year ending March 31, 2026, the slow recovery of the Japanese economy continued with the support of strong capital expenditures by companies and a recovery in demand created by foreign tourists. At the same time, there is downward pressure on the economy due to negative corporate sentiment caused by concerns about the negative effect on supply chains of uncertainties created by the trade policy of the Trump administration.

In the United States, the economy is healthy as the labor market and consumer spending remain firm. There are concerns about a possible slowdown in economic growth because the Trump administration may enact additional tariffs that cover a broad range of products. In China, government measures are supporting the economy. However, weakness in the real estate market, surplus capacity in some industries and the return of trade friction with the United States are pushing back the start of a full-scale recovery. In Europe, the economy is recovering at a moderate pace as signs of a manufacturing sector recovery emerge and the service sector remains strong. There are concerns about the effects of U.S. tariffs on export-dependent industries.

In the steel industry in Japan, instability is continuing because of uncertainty about the global economy and restrictions on construction expenditures. Most significant is worries about a decline in exports to the United States and inflows of surplus products if the Trump administration increases tariffs on steel and aluminum products again. Furthermore, housing starts and machinery orders are sluggish due to the high cost of materials and Japan's labor shortage. As a result, there has been no significant recovery in steel orders and production.

In overseas steel markets, prices remain soft because of an excessive supply as steel production in China remains high. In addition, the outlook for steel markets is becoming increasingly unclear because the Trump administration's trade policies are reducing the volume of global trade and triggering new trade friction.

Under these circumstances, the Yodogawa Steel Group's net sales for the first three months increased 173 million yen from the same period of the previous fiscal year to 52,769 million yen. Operating profit increased 134 million yen to 4,196 million yen, ordinary profit increased 4 million yen to 5,125 million yen, and profit attributable to owners of parent increased 191 million yen to 3,401 million yen.

In Japan, sales and earnings decreased year on year mainly because of lower sales volumes of steel sheet products for both specific high-demand customers and general distribution.

Overseas, sales increased year on year primarily due to higher sales volume at Sheng Yu Steel Co., Ltd. (SYSCO), a subsidiary in Taiwan. Earnings increased year on year, primarily due to higher sales and earnings at Yodogawa Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS), a subsidiary in China.

Business segment performance was as follows.

1) Steel Sheet-related Business

Sales decreased but earnings increased year on year with net sales of 50,091 million yen and operating profit of 4,217 million yen.

Steel Sheets

In Japan, sales decreased but operating profit was about the same as one year earlier because of lower sales volumes of steel sheet products for both specific high-demand customers and general distribution.

Overseas, sales and earnings increased at SYSCO in Taiwan year on year, mainly because of an increase in sales volume. At YSS in China, the pace of the recovery was sluggish due to the prolonged real-estate recession. As a result, sales were about the same as one year earlier but earnings improved. At PCM Processing (Thailand) Ltd. (PPT), sales and earnings increased year on year as this company's performance remained steady.

Building Materials

Sales and earnings decreased year on year due to a decline in sales of both exterior construction material products and exterior products.

2) Roll Business

Net sales totaled 852 million yen and operating profit was 27 million yen.

Sales and earnings increased year on year mainly due to an increase in sales volume of rolls for section steel in Japan.

3) Grating Business

Net sales totaled 693 million yen and operating profit was 9 million yen.

Sales and earnings decreased year on year due to lower sales volume mainly because of the low volume of highway projects.

4) Real Estate Business

Net sales totaled 336 million yen and operating profit was 190 million yen.

Sales increased but earnings decreased mainly due to one-time operating expenses.

5) Other Businesses

Net sales totaled 794 million yen and operating profit was 156 million yen.

Sales increased but operating profit was about the same as one year earlier because year-on-year growth of sales in the warehousing and transportation businesses was offset by higher expenses.

(2) Financial Position**Assets**

Current assets decreased by 9,182 million yen from the end of the previous fiscal year to 150,674 million yen. This was attributable mainly to a decrease of 6,706 million yen in cash and deposits, an increase of 1,079 million yen in notes and accounts receivable-trade, and contract assets, a decrease of 1,486 million yen in securities and a decrease of 2,646 million yen in merchandise and finished goods.

Non-current assets increased by 175 million yen from the end of the previous fiscal year to 104,574 million yen. This was attributable mainly to a decrease of property, plant and equipment of 1,723 million yen and an increase of 2,007 million yen in investment securities.

Total assets decreased by 9,007 million yen from the end of the previous fiscal year to 255,249 million yen.

Liabilities

Current liabilities decreased by 3,557 million yen from the end of the previous fiscal year to 26,202 million yen. This was attributable mainly to decreases of 1,142 million yen in notes and account payable-trade, 2,153 million yen in income taxes payable and 579 million yen in provision for bonuses.

Non-current liabilities increased by 431 million yen from the end of the previous fiscal year to 19,808 million yen. This was attributable mainly to a decrease of 504 million yen in provision for product compensation and an increase of 1,118 million yen in deferred tax liabilities included in other.

Total liabilities decreased by 3,125 million yen from the end of the previous fiscal year to 46,010 million yen.

Net assets

Net assets decreased by 5,882 million yen from the end of the previous fiscal year to 209,238 million yen. This was attributable mainly to an increase of 3,401 million yen in retained earnings owing to the recording of profit attributable to owners of parent, which was partially offset by a decrease of 7,258 million yen in retained earnings resulted from the payment of dividends, an increase of 1,327 million yen in valuation difference on available-for-sale securities, a decrease of 2,381 million yen in foreign currency translation adjustment and a decrease of 884 million yen in non-controlling interests.

(3) Consolidated Forecast and Other Forward-looking Statements

Although the Japanese economy is continuing to recover slowly, the yen's weakness and inflation are preventing the speed of the recovery from increasing. Furthermore, political instability is making the outlook even more unclear. Economies are recovering in China and parts of Europe. A decline in global inflation and other events are also creating expectations for a recovery. However, the outlook for the global economy is likely to remain uncertain because of the Trump administration's trade policies and other events and changes taking place worldwide.

The outlook for markets for steel products is unclear due to the inability to predict the impact of U.S. tariffs and the retaliatory tariffs of other countries. These events are likely to have a significant negative effect on the market for steel products in Japan too.

U.S. tariffs will probably have only a limited direct effect on the Yodogawa Steel Group because the group has only a small volume of business with the United States. However, tariffs are expected to have a greater indirect effect on the group's operations due to the enormous impact of tariffs on the supply and demand for products and materials sold by group companies.

To succeed in this uncertain business climate, all group companies are focusing on speed and agility concerning both sales and production activities to respond to rapidly changing market conditions. At the same time, by steadily implementing the "Yodogawa Steel Group Medium-Term Management Plan 2025," we will work to strengthen our earning power.

The forecast for consolidated performance of the current fiscal year is based on this outlook for the economy and steel market.

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

	(Millions of yen)	
	FY3/25 (as of Mar. 31, 2025)	First quarter of FY3/26 (as of Jun. 30, 2025)
Assets		
Current assets		
Cash and deposits	58,090	51,384
Notes and accounts receivable-trade, and contract assets	43,930	45,010
Electronically recorded monetary claims-operating	5,223	5,294
Securities	2,995	1,508
Merchandise and finished goods	24,440	21,794
Work in process	6,311	5,959
Raw materials and supplies	16,294	17,010
Other	2,760	2,903
Allowance for doubtful accounts	(189)	(191)
Total current assets	159,857	150,674
Non-current assets		
Property, plant and equipment	57,808	56,085
Intangible assets	2,278	2,227
Investments and other assets		
Investment securities	40,961	42,969
Retirement benefit asset	2,679	2,672
Other	670	619
Total investments and other assets	44,311	46,261
Total non-current assets	104,399	104,574
Total assets	264,256	255,249

	(Millions of yen)	
	FY3/25 (as of Mar. 31, 2025)	First quarter of FY3/26 (as of Jun. 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	14,453	13,311
Electronically recorded obligations-operating	2,241	2,223
Short-term borrowings	840	712
Income taxes payable	3,504	1,350
Provision for bonuses	1,182	603
Other	7,535	8,000
Total current liabilities	29,759	26,202
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	20	21
Retirement benefit liability	4,127	4,080
Provision for product compensation	7,490	6,986
Other	7,738	8,719
Total non-current liabilities	19,376	19,808
Total liabilities	49,136	46,010
Net assets		
Shareholders' equity		
Share capital	23,220	23,220
Capital surplus	12,481	12,477
Retained earnings	133,392	129,535
Treasury shares	(4,898)	(4,875)
Total shareholders' equity	164,196	160,358
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,921	18,249
Deferred gains or losses on hedges	—	(0)
Revaluation reserve for land	1,435	1,412
Foreign currency translation adjustment	9,705	7,324
Remeasurements of defined benefit plans	2,461	2,399
Total accumulated other comprehensive income	30,524	29,384
Share acquisition rights	98	77
Non-controlling interests	20,301	19,417
Total net assets	215,120	209,238
Total liabilities and net assets	264,256	255,249

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income**

(Millions of yen)

	First three months of FY3/25 (Apr. 1, 2024 to Jun. 30, 2024)	First three months of FY3/26 (Apr. 1, 2025 to Jun. 30, 2025)
Net sales	52,595	52,769
Cost of sales	43,646	43,015
Gross profit	8,949	9,753
Selling, general and administrative expenses	4,887	5,557
Operating profit	4,061	4,196
Non-operating income		
Interest income	161	175
Dividend income	551	512
Foreign exchange gains	145	54
Share of profit of entities accounted for using equity method	129	119
Other	138	123
Total non-operating income	1,126	985
Non-operating expenses		
Interest expenses	21	23
Cost for employees transferred temporarily to overseas subsidiaries	35	23
Other	10	10
Total non-operating expenses	67	57
Ordinary profit	5,120	5,125
Extraordinary income		
Gain on sale of non-current assets	3	58
Total extraordinary income	3	58
Extraordinary losses		
Loss on sale and retirement of non-current assets	20	16
Total extraordinary losses	20	16
Profit before income taxes	5,103	5,167
Income taxes-current	922	837
Income taxes-deferred	545	569
Total income taxes	1,467	1,407
Profit	3,635	3,760
Profit attributable to non-controlling interests	425	359
Profit attributable to owners of parent	3,210	3,401

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	First three months of FY3/25 (Apr. 1, 2024 to Jun. 30, 2024)	First three months of FY3/26 (Apr. 1, 2025 to Jun. 30, 2025)
Profit	3,635	3,760
Other comprehensive income		
Valuation difference on available-for-sale securities	761	1,307
Revaluation reserve for land	–	(17)
Foreign currency translation adjustment	1,394	(3,561)
Remeasurements of defined benefit plans, net of tax	(11)	(68)
Share of other comprehensive income of entities accounted for using equity method	18	8
Total other comprehensive income	2,163	(2,331)
Comprehensive income	5,799	1,428
Comprehensive income attributable to:		
Owners of parent	4,800	2,261
Non-controlling interests	998	(832)

(3) Notes to Quarterly Consolidated Financial Statements**Going-concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Notes to Quarterly Consolidated Statement of Cash Flows

A quarterly consolidated statement of cash flows has not been prepared for the first three months of the current fiscal year. Depreciation (including amortization of intangible assets) for the first three months of each period is as follows.

	(Millions of yen)	
	First three months of FY3/25 (Apr. 1, 2024 to Jun. 30, 2024)	First three months of FY3/26 (Apr. 1, 2025 to Jun. 30, 2025)
Depreciation	1,098	1,129

Segment and Other Information

Segment information

I. First three months of FY3/25 (Apr. 1, 2024 to Jun. 30, 2024)

Information related to net sales and profit/loss for each reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amounts shown on the consolidated statement of income (Note 3)
	Steel Sheet- related Business	Roll Business	Grating Business	Real Estate Business	Total				
Net sales									
External sales	50,261	597	851	326	52,036	558	52,595	—	52,595
Inter-segment sales and transfers	—	—	—	104	104	626	730	(730)	—
Total	50,261	597	851	430	52,141	1,185	53,326	(730)	52,595
Segment profit	4,042	8	49	201	4,303	159	4,462	(400)	4,061

Notes: 1. Others represent businesses which are not included in any of the reportable segments and mainly consist of transportation, warehouse, golf course, machinery plant, electric power (sale of solar power), and other businesses.

2. The adjustment to segment profit includes unallocated expenses of (400) million yen and an elimination for inter-segment transactions of (0) million yen.

3. Segment profit is adjusted with the operating profit on the quarterly consolidated statement of income.

II. First three months of FY3/26 (Apr. 1, 2025 to Jun. 30, 2025)

Information related to net sales and profit/loss for each reportable segment

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment (Note 2)	Amounts shown on the quarterly consolidated statement of income (Note 3)
	Steel Sheet- related Business	Roll Business	Grating Business	Real Estate Business	Total				
Net sales									
External sales	50,091	852	693	336	51,974	794	52,769	—	52,769
Inter-segment sales and transfers	—	—	—	104	104	440	545	(545)	—
Total	50,091	852	693	441	52,078	1,235	53,314	(545)	52,769
Segment profit	4,217	27	9	190	4,445	156	4,601	(405)	4,196

Notes: 1. Others represent businesses which are not included in any of the reportable segments and mainly consist of transportation, warehouse, golf course, electric power (sale of solar power), and other businesses.

2. The adjustment to segment profit includes unallocated expenses of (407) million yen and an elimination for inter-segment transactions of 1 million yen.

3. Segment profit is adjusted with the operating profit on the quarterly consolidated statement of income.

This report is solely a translation of “Kessan Tanshin” (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.