



Summary of Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2026 [Japanese GAAP] (Consolidated)

August 7, 2025
Shares listed on: Tokyo Stock Exchange

Name of listed company: MITSUBISHI STEEL MFG. CO., LTD.
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Scheduled start date of dividend payments: —
Supplementary briefing materials on results available: Yes
Briefing on results held: None

(All figures are rounded down to the nearest million yen.)

1. Financial results for the first quarter of the fiscal year ending March 31, 2026 (April 1, 2025– June 30, 2025)

(1) Consolidated operating results (Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of the fiscal year ending March 31, 2026	38,113	(6.1)	793	(41.0)	204	(83.5)	(115)	—
First quarter of the fiscal year ended March 31, 2025	40,569	(1.7)	1,344	66.8	1,244	87.7	147	335.3

Note: Comprehensive income: First quarter of the fiscal year ending March 31, 2026: (927) million yen (-%); First quarter of the fiscal year ended March 31, 2025: 702 million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter of the fiscal year ending March 31, 2026	(7.61)	—
First quarter of the fiscal year ended March 31, 2025	9.68	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
First quarter of the fiscal year ending March 31, 2026	135,891	48,387	30.5
Fiscal year ended March 31, 2025	138,667	49,851	30.8

Reference: Shareholders' equity: First quarter of the fiscal year ending March 31, 2026: 41,383 million yen; Fiscal year ended March 31, 2025: 42,643 million yen

2. Dividends

	Annual dividends per share				
	End Q1	End Q2	End Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	30.00	—	34.00	64.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (forecast)		40.00	—	40.00	80.00

Note: Revisions of projected dividends announced most recently: None

3. Forecast of consolidated financial results for fiscal year ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages represent changes from the previous year for the full year and changes from the same quarter of the previous year for the quarter.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	78,000	(3.1)	3,000	(5.2)	2,160	29.9	1,300	—	85.98
Full year	159,000	(0.4)	7,400	12.7	5,700	17.4	3,000	26.9	198.41

Note: Revisions of forecasts of consolidated financial results announced most recently: None

Notes

- (1) Changes in significant subsidiaries during the cumulative period through the period under review: None
 (Changes in specific subsidiaries accompanied by changes in the scope of consolidation)
 Newly added: — companies (name: —)
 Removed: — companies (name: —)

- (2) Application of specific account processing in preparation of the quarterly consolidated financial statements: None

- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
 ① Changes in accounting policies due to the revisions of accounting standards, etc.: None
 ② Any changes in accounting policies other than those under ① above: None
 ③ Changes in accounting estimates: None
 ④ Retrospective restatements: None

Note: For more information, see "2. Consolidated Financial Statements and Major Notes: (3) Notes on Consolidated Financial Statements (Changes to Accounting Policies)" on page 10 of the Attached Materials.

- (4) Number of shares outstanding (common shares)
 ① Number of shares outstanding at the end of the period (including treasury stock)
 ② Number of treasury shares at the end of the period
 ③ Average number of shares during the period (cumulative through the period under review)

1Q of fiscal year ending March 31, 2026	15,709,968 shares	Fiscal year ended March 31, 2025	15,709,968 shares
1Q of fiscal year ending March 31, 2026	589,062 shares	Fiscal year ended March 31, 2025	589,574 shares
1Q of fiscal year ending March 31, 2026	15,120,492 shares	1Q of fiscal year ended March 31, 2025	15,215,959 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * Explanation of the proper use of financial results forecast and other notes.

The forecasts of financial results were prepared based on information available at this time. Actual results may differ from forecasts depending on various future factors.

For detailed information on financial forecasts, refer to "1. Qualitative Information on Quarterly Financial Results: (3) Explanation of Forward-looking Statements Including Forecasts of Consolidated Financial Results" on page 5 of the Attached Materials.

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1. Qualitative Information on Quarterly Financial Statements

(1) Description of Operating Results

During the first quarter of the consolidated fiscal year under review (April through June 2025), the production of construction machinery was low, resulting from low demand in the construction machinery industry, a major source of demand for Group products. In addition, despite the resolution of production adjustments in the automotive industry that took place last year in Japan and around the world, parts supply issues emerged at certain manufacturers in Japan and around the world due to China's export restrictions on rare earths.

While procurement costs remained high due to high cost of energy and other expenses, the market cost of raw materials trended downward.

Under these conditions, the Group posted consolidated net sales of 38,113 million yen in the first quarter of the fiscal year under review, down 2,456 million yen (6.1%) year on year; contributing factors included lower sales under contract volumes in the steel bars business in Japan and the effects of lower selling prices in connection with falling raw material prices, despite contributions to sales from the strategic businesses of precision spring components and the overseas steel bars business. Consolidated operating income was 793 million yen, down 550 million yen (41.0%) year on year; contributing factors included lower sales under contract volumes in the steel bars business in Japan and associated production cost increases. However, the strategic businesses of precision spring components and the overseas steel bars business contributed to earnings.

Net loss attributable to owners of the parent company was 115 million yen, down 262 million yen year on year, from net income attributable to owners of the parent company of 147 million yen in the first quarter of last year. Contributing factors included lower operating income and losses on valuation of foreign exchange resulting exchange rate fluctuations at overseas subsidiaries during the first quarter, as well as the impact of tax effect accounting, although the previous period's extraordinary losses on our withdrawal from the German springs business were resolved. Results by business segment are reviewed below.

The Special Steel Bars Business posted net sales of 18,656 million yen, down 1,823 million yen (8.9%) year on year. This decline reflected lower sales in the Special Steel Bars Business as a whole; contributing factors included lower sales volumes in the Japanese business and the impact of lower selling prices associated with falling raw material costs. However, sales volumes increased at the overseas business in Indonesia. Operating loss was 3 million yen, down 566 million yen from the previous fiscal year, from operating income of 562 million yen in the first quarter of last year. Despite higher earnings in the overseas business in Indonesia due to increased sales volumes and cost improvements, income fell sharply in the Japanese business due to lower sales under contract volumes and associated production cost increases.

The Springs Business posted net sales of 17,712 million yen, down 411 million yen (2.3%) year on year. While sales volumes were up in precision spring components business and in the springs business in Japan, sales remained flat year on year; contributing factors included lower sales volumes due to US tariff policies at the North American subsidiary and withdrawal from the springs business in German. Operating income was up 236 million yen (40.7%) year on year to 816 million yen. Higher sales volume in the precision spring business and the domestic spring business contributed to earnings, resulting in an increase in operating income

The Formed & Fabricated Products Business posted net sales of 2,021 million yen, down 391 million yen (16.2%) year on year. This decline reflected lower sales volumes of precision castings and other products, despite new transactions for special alloy powders and higher sales. Operating income fell 97 million yen (62.1%) from the previous fiscal year to 59 million yen; contributing factors included a decrease in sales volume and a time lag in the pass-through of higher prices of raw materials used in alloys for specialty metal powders.

Due to the settlement of negotiations, the price pass-through was expect to gradually recover from the second quarter onward, including from the first quarter, the increase in the selling price of precision castings, which had been an issue since the previous fiscal year.

The Machinery Business posted net sales of 1,794 million yen, up 173 million yen (10.7%) year on year due to higher sales of defense equipment, forging machinery, and other products. However, due to temporary reductions in productivity in the steel fabrication process, operating income fell 131 million yen year on year to an operating loss of 144 million yen (vs. operating income of 12 million yen in the first quarter of the previous year).

Productivity has recovered to the previous year's level. In addition, earnings are expected to improve in the second quarter due to the tendency for earnings to be biased toward the end of the half-year due to the characteristics of this business.

Other businesses, including the distribution and service businesses, posted net sales of 960 million yen, down 6 million yen (0.7%) year on year, and operating income of 49 million yen, down 9 million yen (16.8%) year on year.

(2) Description of Financial Position

Total assets at the end of the first quarter of the consolidated fiscal year under review stood at 135,891 million yen, down 2,775 million yen from the end of the previous consolidated fiscal year. This was due mainly to a decline in cash resulting from the repayment of borrowings, payment of working capital, and other factors.

Total liabilities at the end of the first quarter of the consolidated fiscal year under review stood at 87,504 million yen, down 1,311 million yen from the end of the previous consolidated fiscal year, due mainly to lower debt following the repayment of borrowings.

Net assets at the end of the first quarter of the consolidated fiscal year under review stood at 48,387 million yen, down 1,464 million yen from the end of the previous consolidated fiscal year, due mainly to payment of dividends and a decrease in foreign currency translation adjustments accompanying exchange rate fluctuations.

(3) Explanation of Forward-looking Statements Including Forecasts of Consolidated Financial Results

Forecasts for the second quarter of the fiscal year ending March 2026 and full-year performance forecasts remain unchanged from those announced May 14, 2025.

Performance forecasts are based on information available as of the time of announcement. Actual results may differ from forecasts for various reasons.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

	(Unit: millions of yen)	
	Consolidated fiscal year ended (March 31, 2025)	Consolidated first quarter (June 30, 2025)
Assets		
Current assets		
Cash and deposits	16,163	12,651
Notes and accounts receivable-trade and contract assets	30,268	28,027
Electronically recorded monetary claims	4,193	3,937
Merchandise and finished goods	12,178	11,871
Work in process	6,424	7,644
Raw materials and supplies	10,082	10,040
Other	4,026	7,767
Allowance for doubtful accounts	(56)	(56)
Total current assets	83,281	81,885
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	8,134	8,321
Machinery, equipment and vehicles, net	11,783	11,434
Land	15,778	15,116
Other, net	2,478	2,480
Total property, plant and equipment	38,174	37,352
Intangible fixed assets		
Other	661	610
Total intangible fixed assets	661	610
Investments and other assets		
Investment securities	6,009	6,152
Distressed receivables	4,417	4,623
Net defined benefit assets	7,122	7,115
Guarantee deposits	675	—
Other	1,650	1,630
Allowance for doubtful accounts	(3,323)	(3,479)
Total investments and other assets	16,550	16,043
Total fixed assets	55,386	54,006
Total assets	138,667	135,891

(Unit: millions of yen)

	Consolidated fiscal year ended (March 31, 2025)	Consolidated first quarter (June 30, 2025)
Liabilities		
Current liabilities		
Accounts payable-trade	11,707	13,563
Electronically recorded monetary obligations	3,674	3,729
Short-term loans payable	22,787	21,737
Income taxes payable	722	143
Allowance	32	34
Other	6,505	5,277
Total current liabilities	45,429	44,486
Non-current liabilities		
Long-term loans payable	28,224	28,030
Long-term income taxes payable	31	31
Provision for directors' retirement benefits	134	138
Provision for directors' stock benefits	55	64
Provision for loss on business liquidation	334	341
Provision for loss on litigation	675	—
Net defined benefit liabilities	9,053	9,095
Other	4,876	5,316
Total non-current liabilities	43,385	43,018
Total liabilities	88,815	87,504
Net assets		
Shareholders' equity		
Capital stock	10,003	10,003
Capital surplus	2,225	2,222
Retained earnings	33,723	33,083
Treasury stock	(1,620)	(1,619)
Total shareholders' equity	44,332	43,690
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	849	948
Foreign currency translation adjustments	(3,900)	(4,557)
Accumulated remeasurements of defined benefit plans	1,362	1,301
Total accumulated other comprehensive income	(1,688)	(2,306)
Non-controlling interests	7,207	7,003
Total net assets	49,851	48,387
Total liabilities and net assets	138,667	135,891

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

Consolidated statement of income

Cumulative period through the first quarter of the consolidated fiscal year ending March 2026

(Unit: millions of yen)

	Cumulative period through the first quarter of the consolidated fiscal year ending March 2025 (April 1, 2024 – June 30, 2024)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2026 (April 1, 2025 – June 30, 2025)
Net sales	40,569	38,113
Cost of sales	34,779	33,053
Gross profit	5,789	5,059
Selling, general and administrative expenses	4,444	4,265
Operating income	1,344	793
Non-operating income		
Interest income	33	22
Dividend income	27	29
Investment gain on equity method	75	9
Foreign exchange gains	218	—
Other	56	158
Total non-operating income	412	220
Non-operating expenses		
Interest expenses	381	316
Foreign exchange losses	—	385
Other	131	107
Total non-operating expenses	512	809
Ordinary income	1,244	204
Extraordinary income		
Gain on sale of investment securities	—	57
Insurance claim income	187	—
Total extraordinary income	187	57
Extraordinary losses		
Loss on business liquidation	675	—
Provision for loss on business liquidation	300	—
Total extraordinary losses	975	—
Net income before income taxes and other adjustments	456	262
Income taxes-current	102	76
Income taxes-deferred	204	316
Total income taxes	307	393
Profit	149	(131)
Profit attributable to non-controlling interests	1	(16)
Net income attributable to owners of parent	147	(115)

Consolidated statement of comprehensive income

Cumulative period through the first quarter of the consolidated fiscal year ending March 2026

(Unit: millions of yen)

	Cumulative period through the first quarter of the consolidated fiscal year ending March 2025 (April 1, 2024 – June 30, 2024)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2026 (April 1, 2025 – June 30, 2025)
Profit	149	(131)
Other comprehensive income		
Valuation difference on available-for-sale securities	69	107
Foreign currency translation adjustments	576	(809)
Remeasurements of defined benefit plans	(107)	(83)
Share of other comprehensive income of entities accounted for using equity method	14	(10)
Total other comprehensive income	553	(795)
Comprehensive income	702	(927)
(Breakdown)		
Comprehensive income attributable to owners of parent	616	(733)
Comprehensive income attributable to non-controlling interests	85	(193)

(3) Notes on Consolidated Financial Statements

(Notes on the Going Concern Assumption)

Not applicable

(Notes on marked changes in amounts of shareholders' equity)

Not applicable

(Changes to Accounting Policies)

Not applicable

(Segment Information, etc.)

(Segment information)

I. Consolidated fiscal year ended March 31, 2025 (April 1, 2024 – June 30, 2024)

1. Net sales, income (loss) by reporting segment

(Unit: millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated statement of income (Note 3)
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery				
Net sales								
Sales to external customers	18,145	18,123	2,364	1,508	427	40,569	-	40,569
Inter-segment sales or transfers	2,334	0	48	112	539	3,036	(3,036)	-
Total	20,479	18,124	2,413	1,621	967	43,605	(3,036)	40,569
Segment income (loss)	562	580	157	(12)	59	1,346	(1)	1,344

Notes:

1. The "Other" category includes businesses such as distribution and services not included in reporting segments.
2. Adjustments to net sales include adjustments for internal transactions. Adjustments to segment income (loss) include elimination of inter-segment transactions.
3. Segment income (loss) is adjusted against operating income reported on the Consolidated Statement of Income.

II Consolidated fiscal year ending March 31, 2026 (April 1, 2025 – June 30, 2025)

1. Net sales, income (loss) by reporting segment

(Unit: millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated statement of income (Note 3)
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery				
Net sales								
Sales to external customers	16,253	17,707	1,958	1,753	440	38,113	—	38,113
Inter-segment sales or transfers	2,403	4	63	41	519	3,032	(3,032)	—
Total	18,656	17,712	2,021	1,794	960	41,145	(3,032)	38,113
Segment income (loss)	(3)	816	59	(144)	49	777	16	793

Notes:

1. The "Other" category includes businesses such as distribution and services not included in reporting segments.
2. Adjustments to net sales include adjustments for internal transactions. Adjustments to segment income (loss) include elimination of inter-segment transactions.
3. Segment income (loss) is adjusted against operating income reported on the Consolidated Statement of Income.

(Notes on the quarterly consolidated cash flow statement)

There is no quarterly consolidated statement of cash flows for the three months ended June 30, 2025. Depreciation for the three months ended June 30, 2025 is as follows:

	(Millions of yen)	
	Cumulative period through the first quarter of the consolidated fiscal year ended March 2025 (April 1, 2024 – June 30, 2024)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2026 (April 1, 2025 – June 30, 2025)
Depreciation	993	894

(Revenue Recognition)

Breakdown of revenues arising from contracts with customers

Consolidated fiscal year ended March 31, 2025 (April 1, 2024 – June 30, 2024) (Unit: millions of yen)

	Reporting segment				Other	Total
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery	(Note)	
Net sales						
Japan	16,024	5,471	1,043	1,326	427	24,293
North America	—	9,156	134	—	—	9,291
Asia	2,120	2,293	840	1	—	5,255
Europe	—	1,193	340	180	—	1,714
Other	—	8	5	—	—	14
Revenues arising from contracts with customers	18,145	18,123	2,364	1,508	427	40,569
Net sales to external customers	18,145	18,123	2,364	1,508	427	40,569

Note: The “Other” category includes businesses such as distribution and services not included in reporting segments.

Consolidated fiscal year ending March 31, 2026 (April 1, 2025 – June 30, 2025) (Unit: millions of yen)

	Reporting segment				Other	Total
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery	(Note)	
Net sales						
Japan	13,572	6,035	1,069	1,554	440	22,673
North America	32	7,440	123	—	—	7,596
Asia	2,648	4,159	720	133	—	7,661
Europe	—	65	44	65	—	175
Other	—	7	—	—	—	7
Revenues arising from contracts with customers	16,253	17,707	1,958	1,753	440	38,113
Net sales to external customers	16,253	17,707	1,958	1,753	440	38,113

Note: The “Other” category includes businesses such as distribution and services not included in reporting segments.

Appendix (Consolidated)

(Unit: millions of yen)

1. Financial results

	Cumulative period				Full year		
	Fiscal year ended March 31, 2025 (April 2024 – June 2024)	Fiscal year ended March 31, 2026 (April 2025 – June 2025)	Year-on-year change		Results for fiscal year ended March 2025	Forecast for fiscal year ending March 2026*	
				Changes (%)		Forecast for fiscal year ending March 2026	Changes (%)
Net sales	40,569	38,113	(2,456)	(6.1)	159,584	159,000	(0.4)
Operating income	1,344	793	(550)	(41.0)	6,564	7,400	12.7
Ordinary income (loss)	1,244	204	(1,039)	(83.5)	4,854	5,700	17.4
Net income (loss) attributable to owners of parent	147	(115)	(262)	—	2,363	3,000	26.9
					* Announced on May 14, 2025		
Net income (loss) per share	9.68	(7.61)			155.92	198.41	

2. Quarterly results

	Fiscal year ended March 2025				Fiscal year ending March 2026
	Q1 (April - June)	Q2 (July - Sept.)	Q3 (Oct. - Dec.)	Q4 (Jan. - March)	Q1 (April - June)
Net sales	40,569	39,947	39,071	39,996	38,113
Operating income (loss)	1,344	1,818	1,828	1,572	793
Ordinary income (loss)	1,244	418	2,450	740	204
Net income (loss) attributable to owners of parent	147	(115)	975	1,355	(115)

3. Net sales by segment

	Fiscal year ended March 2025				Fiscal year ended March 2026
	Q1 (April - June)	Q2 (July - Sept.)	Q3 (Oct. - Dec.)	Q4 (Jan. - March)	Q1 (April - June)
Special Steel Bars	20,479	20,649	20,504	19,893	18,656
Springs	18,124	15,453	16,636	15,884	17,712
Formed & Fabricated Products	2,413	2,199	2,240	2,367	2,021
Machinery	1,621	3,118	1,725	3,990	1,794
Other	967	872	918	915	960
Adjustments	(3,036)	(2,345)	(2,954)	(3,054)	(3,032)
Total	40,569	39,947	39,071	39,996	38,113

4. Summary of Consolidated Balance Sheet

Account	March 31, 2025	June 30, 2025	Changes	Account	March 31, 2025	June 30, 2025	Changes
Current assets	83,281	81,885	(1,396)	Liabilities	88,815	87,504	(1,311)
Cash and deposits	16,163	12,651	(3,511)	Notes and accounts payable-trade	15,382	17,293	1,910
Notes and accounts receivable-trade	34,462	31,965	(2,496)	Interest-bearing debt	51,012	49,768	(1,243)
Inventories	28,685	29,556	871	Other	22,420	20,442	(1,978)
Other	3,970	7,711	3,740	Net assets	49,851	48,387	(1,464)
Fixed assets	55,386	54,006	(1,379)	Shareholders' equity	44,332	43,690	(641)
Property, plant and equipment	38,174	37,352	(821)	Accumulated other comprehensive income	(1,688)	(2,306)	(618)
Intangible fixed assets	661	610	(50)	Non-controlling interests	7,207	7,003	(204)
Investments and other assets	16,550	16,043	(507)	Total liabilities and net assets	138,667	135,891	(2,775)
Total assets	138,667	135,891	(2,775)				