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Securities Code: 5632

(Start date of measures for electronic provision): May 22, 2026

(Date of issue): June 4, 2026

To Our Shareholders

16-13, Tsukishima 4-chome, Chuo-ku, Tokyo

Mitsubishi Steel Mfg. Co., Ltd.

Jun Yamaguchi, Representative Director

President & CEO

Notice of Convocation of the 102nd Ordinary General Meeting of Shareholders

You are cordially informed that the 102nd Ordinary General Meeting of Shareholders of the Company will be held as described below.

When the Company convenes the general meeting of shareholders, it takes measures for electronically providing information contained in the Reference Documents, etc. for the General Meeting of Shareholders (the matters for which measures for providing information in electronic format are to be taken), which is posted on the website of the Company as “Notice of Convocation of the 102nd Ordinary General Meeting of Shareholders” and “Matters Excluded from Paper-Based Documents Delivered to Shareholders.” Please access the website of the Company below for your review.

[The Company’s website] <https://www.mitsubishisteel.co.jp/english/ir/stock/shareholders-meeting/>

The matters for which measures for providing information in electronic format are to be taken are posted on the website above and the website of the Tokyo Stock Exchange (TSE). Please access TSE’s website below (Listed Company Search) and enter the name of the stock (issue name) “Mitsubishi Steel” or security code (5632), select “Basic information” and then “Documents for public inspection/PR information,” and click the button in the section entitled “Notice of Convocation of the General Meeting of Shareholders/Materials for General Meetings of Shareholders” under the heading “Documents for public inspection” to confirm.

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

When you are not going to attend the meeting, please exercise your voting rights in writing or via the Internet. You are cordially asked to read the reference document for the general meeting of shareholders. We kindly ask you to exercise voting rights no later than Thursday, June 18, 2026, 5:40 p.m.

1. **Date and Time:** Friday, June 19, 2026 at 10:00 a.m.
 2. **Venue:** 1-1 Hayabusacho, Chiyoda-ku, Tokyo
3F (Hana no ma), Hotel Grand Arc Hanzomon
 3. **Agenda of the Meeting:**
 - Matters to be reported:**
 - (1) Business Report and Consolidated Financial Statements for the 102nd Fiscal Year (from April 1, 2025 to March 31, 2026), results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors
 - (2) Report of Non-consolidated Financial Statements for the 102nd Fiscal Year (from April 1, 2025 to March 31, 2026)
 - Proposals to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Partial Amendments to the Articles of Incorporation
 - Proposal No. 3:** Election of Six Directors (Excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal No. 4:** Election of Four Directors who are Audit and Supervisory Committee Members
 - Proposal No. 5:** Determination of Amount of Compensation, etc. for Directors (Excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal No. 6:** Determination of Amount of Compensation, etc. for Directors who are Audit and Supervisory Committee Members
 - Proposal No. 7:** Partial Revision to the Performance-linked Stock Compensation Plan for Directors, etc. (Excluding Directors who are Audit and Supervisory Committee Members)
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- Pursuant to the provisions of laws and regulations and the Articles of Incorporation, the following matters are not listed on the paper-based documents to be sent to shareholders who requested the delivery of paper-based documents.
 - (i) Basic Policy for Internal Controls and Its Implementation Status
 - (ii) Consolidated Financial Statements (Consolidated Statement of Changes in Equity, Notes to the Consolidated Financial Statements)
 - (iii) Non-consolidated Financial Statements (Non-consolidated Statement of Changes in Equity, Notes to the Non-consolidated Financial Statements)

Therefore, the paper-based documents to be delivered to those shareholders are part of the relevant documents audited by the Corporate Auditors and the Accounting Auditor to prepare the audit report.

- We will announce modifications, if any, to the matters for which measures for providing information in electronic format are to be taken, as well as the matters before and after the modification, on the website of the Company and Tokyo Stock Exchange listed above.
- The English translation of this Notice of Convocation of the General Meeting of Shareholders, the Basic Policy for Internal Controls and Its Implementation Status, the Consolidated Financial Statements (Consolidated Statement of Changes in Equity, Notes to the Consolidated Financial Statements), and the Non-consolidated Financial Statements (Non-consolidated Statement of Changes in Equity, Notes to the Non-consolidated Financial Statements) are also posted on the Company's website.
- Please note that the "Notice of Resolutions" will be posted on the Company's website after the General Meeting of Shareholders.
- If you exercised your voting rights in writing (postal mail) and did not indicate your vote for or against proposals, it will be deemed that you approved them.
- If you vote both in writing (postal mail) on the Voting Rights Exercise Form and via the Internet, only the vote you submitted via the Internet will be valid. If you submit your vote multiple times via the Internet, only the last vote will be valid.
- If there are significant changes in the operation of the general meeting of shareholders, they will be posted on the website of the Company.

(<https://www.mitsubishisteel.co.jp/english/ir/stock/shareholders-meeting/>)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company's view is that returning profit to shareholders is one of the most important measures. In May 2025, we reviewed the dividend policy, and for the fiscal year ended March 31, 2026, we set a consolidated dividend payout ratio of around 40% and the minimum value of the annual dividend to be 80 yen per share.

Based on the operating results for fiscal 2025, the annual dividend will be 81 yen per share. We would like to propose a dividend of 41 yen per share, since we have paid an interim dividend of 40 yen.

Matters concerning the year-end dividend

1. Type of dividend property

Cash

2. Matters concerning allocation of dividend property and total amount thereof

41 yen per share Total amount: ¥632,896,254

3. Effective date of dividends

June 22, 2026

Proposal No. 2: Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

- (1) Amendments accompanying the transition to a company with an Audit and Supervisory Committee
 Amid rapidly changing business environments, the Company recognizes the further strengthening of corporate governance as an important issue for the sustainable enhancement of corporate value. The Company will transition from a company with a Board of Corporate Auditors to a company with an Audit and Supervisory Committee, with the aim of achieving the following benefits.

Key expected benefits

- Further enhancing discussion by the Board of Directors centered on management policies and strategies
- Strengthening the supervisory function of the Board of Directors
- Accelerating decision-making while improving objectivity and transparency

In connection with this transition, the following items will be amended.

- Establishment of new provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members
- Deletion of provisions concerning the Board of Corporate Auditors and Corporate Auditors
- Establishment of new provisions concerning the delegation of decisions on important business execution

(2) Other amendments

In conjunction with the establishment and deletion of provisions, changes will be made to article numbers and other related items, along with certain wording adjustments and other necessary revisions.

2. Details of the amendments

The details of the amendments are as set forth below. Please note that the amendments to the Articles of Incorporation under this proposal shall become effective at the conclusion of this General Meeting of Shareholders.

(Each of the underlined parts denote a changed portion)

Existing Articles of Incorporation	Proposed changes
Chapter I General Provisions Articles 1. to 4. (Omitted)	Chapter I General Provisions Articles 1. to 4. (Unchanged)
Chapter II Shares Articles 5. to 8. (Omitted)	Chapter II Shares Articles 5. to 8. (Unchanged)
Article 9. <u>(Share Handling Regulations)</u> The entry or recording in the shareholder register and the share acquisition right register, the purchase of shares less than one unit and other handling of shares or share acquisition rights and fees thereof shall be in accordance with the <u>Share Handling Regulations</u> established by the Board of Directors, in addition to laws and regulations and the Articles of Incorporation.	Article 9. <u>(Share Handling Rules)</u> The entry or recording in the shareholder register and the share acquisition right register, the purchase of shares less than one unit and other handling of shares or share acquisition rights and fees thereof shall be in accordance with the <u>Share Handling Rules</u> established by the Board of Directors, in addition to laws and regulations and the Articles of Incorporation.
Articles 10. to 11. (Omitted)	Articles 10. to 11. (Unchanged)
Chapter III General Meetings of Shareholders Articles 12. to 17. (Omitted)	Chapter III General Meetings of Shareholders Articles 12. to 17. (Unchanged)
Chapter IV Directors and Board of Directors Article 18. (Omitted)	Chapter IV Directors and Board of Directors Article 18. (Unchanged)
Article 19. (Number of Directors)	Article 19. (Number of Directors)

Existing Articles of Incorporation	Proposed changes
<p>The Company shall have not more than <u>ten (10)</u> Directors.</p> <p style="text-align: center;">(Establishment)</p> <p>Article 20. (Election)</p> <p>1. Directors shall be elected by a resolution of a general meeting of shareholders.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>Article 21. (Term of Office)</p> <p>The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p style="text-align: center;">(Establishment)</p> <p style="text-align: center;">(Establishment)</p> <p>Article 22. (Representative Director and Chairman of the Board)</p> <p>1. The Board of Directors shall appoint Representative Director from among <u>Directors</u>.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p> <p>Article 23. (Omitted)</p>	<p>1. The Company shall have not more than <u>fourteen (14)</u> Directors.</p> <p>2. <u>Of the Directors mentioned in the preceding paragraph, the number of Directors who are Audit and Supervisory Committee Members shall be not more than four (4).</u></p> <p>Article 20. (Election)</p> <p>1. Directors shall be elected by a resolution of a general meeting of shareholders, <u>distinguishing between Directors (excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members.</u></p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p> <p>Article 21. (Term of Office)</p> <p>1. The term of office of a Director <u>(excluding a Director who is an Audit and Supervisory Committee Member)</u> shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p>2. <u>The term of office of a Director who is an Audit and Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director.</u></p> <p>3. <u>The term of office of a Director who is an Audit and Supervisory Committee Member and is elected as the substitute for a Director who is an Audit and Supervisory Committee Member and who retired from office before the expiration of the term of office shall continue until the time when the term of the retired Director who is an Audit and Supervisory Committee Member was set to expire.</u></p> <p>Article 22. (Representative Director and Chairman of the Board)</p> <p>1. The Board of Directors shall appoint Representative Director from among <u>Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p> <p>2. (Unchanged)</p> <p>3. (Unchanged)</p> <p>Article 23. (Unchanged)</p>
<p>Article 24. (Convocation Notice of Board of Directors Meetings)</p> <p>The convocation notice of a Board of Directors meeting shall be dispatched to each Director <u>and each Corporate Auditor</u> at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p>Article 25. (Omitted)</p> <p style="text-align: center;">(Establishment)</p>	<p>Article 24. (Convocation Notice of Board of Directors Meetings)</p> <p>The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p>Article 25. (Unchanged)</p> <p><u>Article 26. (Delegation of Decisions on Execution of Important Operations)</u></p> <p><u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may, by resolution of the Board of Directors, delegate all or part of decisions on the execution of important operations (excluding the matters listed in each item of paragraph (5) of the same Article) to Directors.</u></p>

Existing Articles of Incorporation	Proposed changes
<p>Article <u>26</u>. (Method of Resolution of the Board of Directors)</p> <p>1. Resolutions of the Board of Directors shall be adopted by the presence of a majority of the Directors who are entitled to vote and by <u>a majority of the votes of the Directors present</u>.</p> <p>2. (Omitted)</p>	<p>Article <u>27</u>. (Method of Resolution of the Board of Directors)</p> <p>1. Resolutions of the Board of Directors shall be adopted by the presence of a majority of the Directors who are entitled to vote and by <u>a majority of the votes of those present</u>.</p> <p>2. (Unchanged)</p>
<p>Article <u>27</u>. (Minutes of Board of Directors Meetings)</p> <p>The proceedings of a Board of Directors meeting shall be described or recorded in minutes, which shall include the summary of the proceedings, the results thereof, and other matters required by laws and regulations. The <u>Directors and Corporate Auditors</u> in attendance shall write down their names and affix their seals to, or electronically sign the minutes, which shall be preserved at the Company.</p>	<p>Article <u>28</u>. (Minutes of Board of Directors Meetings)</p> <p>The proceedings of a Board of Directors meeting shall be described or recorded in minutes, which shall include the summary of the proceedings, the results thereof, and other matters required by laws and regulations. The <u>Directors</u> in attendance shall write down their names and affix their seals to, or electronically sign the minutes, which shall be preserved at the Company.</p>
<p>Articles <u>28</u>. to <u>29</u>. (Omitted)</p>	<p>Articles <u>29</u>. to <u>30</u>. (Unchanged)</p>
<p><u>Chapter V Corporate Auditors and Board of Corporate Auditors</u></p>	<p>(Deleted)</p>
<p><u>Article 30. (Establishment of Corporate Auditors and Board of Corporate Auditors)</u></p> <p><u>The Company shall have Corporate Auditors and a Board of Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>Article 31. (Number of Corporate Auditors)</u></p> <p><u>The Company shall have not more than four (4) Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>Article 32. (Election)</u></p> <p>1. <u>Corporate Auditors shall be elected by a resolution of a general meeting of shareholders.</u></p> <p>2. <u>Resolutions on the election of Corporate Auditors shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</u></p>	<p>(Deleted)</p>
<p><u>Article 33. (Term of Office)</u></p> <p>1. <u>The term of office of a Corporate Auditor shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Corporate Auditor.</u></p> <p>2. <u>The term of office of a Corporate Auditor who is elected as the substitute for a Corporate Auditor who retired from office before the expiration of the term of office shall continue until the time when the term of the retired Corporate Auditor was set to expire.</u></p>	<p>(Deleted)</p>
<p><u>Article 34. (Standing Corporate Auditors)</u></p> <p><u>The Board of Corporate Auditors shall appoint standing Corporate Auditors from among Corporate Auditors.</u></p>	<p>(Deleted)</p>
<p><u>Article 35. (Convocation Notice of Board of Corporate Auditors Meetings)</u></p> <p><u>The convocation notice of a Board of Corporate Auditors meeting shall be dispatched to each Corporate Auditor at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u></p>	<p>(Deleted)</p>

Existing Articles of Incorporation	Proposed changes
<p><u>Article 36. (Authority of the Board of Corporate Auditors)</u> <u>The Board of Corporate Auditors, in addition to having the authority prescribed by laws and regulations, shall decide on matters related to the execution of duties by Corporate Auditors. However, it shall not obstruct the exercise of the authority of Corporate Auditors.</u></p>	(Deleted)
<p><u>Article 37. (Method of Resolution of the Board of Corporate Auditors)</u> <u>Resolutions of the Board of Corporate Auditors shall be adopted by a majority of Corporate Auditors unless otherwise stipulated by laws and regulations.</u></p>	(Deleted)
<p><u>Article 38. (Minutes of Board of Corporate Auditors Meetings)</u> <u>The proceedings of a Board of Corporate Auditors meeting shall be described or recorded in minutes, which shall include the summary of the proceedings, the results thereof, and other matters required by laws and regulations. The Corporate Auditors in attendance shall write down their names and affix their seals to, or electronically sign the minutes, which shall be preserved at the Company.</u></p>	(Deleted)
<p><u>Article 39. (Exemption of Corporate Auditors From Liability)</u> 1. <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may exempt a Corporate Auditor (including those who were previously Corporate Auditors) from liability for damages under Article 423, paragraph (1) of the same Act, by a resolution of the Board of Directors, up to the amount prescribed by laws and regulations.</u> 2. <u>Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into a contract with a Corporate Auditor to limit liability for damages under Article 423, paragraph (1) of the same Act. However, the limit of liability for damages specified in such a contract shall be the total amount specified in each item of Article 425, paragraph (1) of the same Act.</u></p>	(Deleted)
(Establishment)	<p style="text-align: center;"><u>Chapter V Audit and Supervisory Committee</u></p> <p><u>Article 31. (Establishment of Audit and Supervisory Committee)</u> <u>The Company shall have an Audit and Supervisory Committee.</u></p> <p><u>Article 32. (Standing Audit and Supervisory Committee Members)</u> <u>The Audit and Supervisory Committee shall appoint standing Audit and Supervisory Committee Members from among Audit and Supervisory Committee Members.</u></p> <p><u>Article 33. (Convocation Notice of Audit and Supervisory Committee Meetings)</u> <u>The convocation notice of an Audit and Supervisory Committee meeting shall be dispatched to each Audit and Supervisory Committee Member at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u></p> <p><u>Article 34. (Authority of the Audit and Supervisory Committee)</u></p>
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Existing Articles of Incorporation	Proposed changes
<p>(Establishment)</p> <p>(Establishment)</p>	<p><u>The Audit and Supervisory Committee shall determine matters related to the execution of its duties, in addition to matters prescribed by laws and regulations and the Articles of Incorporation.</u></p> <p><u>Article 35. (Method of Resolution of the Audit and Supervisory Committee)</u></p> <p><u>Resolutions of the Audit and Supervisory Committee shall be adopted by the presence of a majority of the Audit and Supervisory Committee Members who are entitled to vote and by a majority of the votes of those present.</u></p> <p><u>Article 36. (Minutes of the Audit and Supervisory Committee Meetings)</u></p> <p><u>The proceedings of an Audit and Supervisory Committee meeting shall be described or recorded in minutes, which shall include the summary of the proceedings, the results thereof, and other matters required by laws and regulations. The Audit and Supervisory Committee Members in attendance shall write down their names and affix their seals to, or electronically sign the minutes, which shall be preserved at the Company.</u></p>
<p>Chapter VI Accounting Auditor Articles <u>40.</u> to <u>42.</u> (Omitted)</p> <p>Chapter VII Accounts Articles <u>43.</u> to <u>46.</u> (Omitted)</p> <p>(Establishment)</p>	<p>Chapter VI Accounting Auditor Articles <u>37.</u> to <u>39.</u> (Unchanged)</p> <p>Chapter VII Accounts Articles <u>40.</u> to <u>43.</u> (Unchanged)</p> <p><u>Supplementary Provisions</u> <u>(Transitional Measures Regarding the Exemption of Corporate Auditor’s Liability)</u></p> <p><u>Article 1. The Company may, by resolution of the Board of Directors, exempt Corporate Auditors (including those who were previously Corporate Auditors) from liability under Article 423, paragraph (1) of the Companies Act for actions taken before the conclusion of the Ordinary General Meeting of Shareholders to be held in June 2026, in accordance with the provisions of Article 39, paragraph 1 of the Articles of Incorporation as they were prior to any amendments made by resolution at the same Ordinary General Meeting of Shareholders.</u></p> <p><u>Article 2. Agreements to limit the liability for damages under Article 423, paragraph (1) of the Companies Act in relation to actions taken by Corporate Auditors (including those who were previously Corporate Auditors) before the conclusion of the Ordinary General Meeting of Shareholders to be held in June 2026 shall be in accordance with the provisions of Article 39, paragraph 2 of the Articles of Incorporation as they were prior to any amendments made by resolution at the same Ordinary General Meeting of Shareholders.</u></p>

Proposal No. 3: Election of Six Directors (Excluding Directors who are Audit and Supervisory Committee Members)

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed at this General Meeting of Shareholders, the Company will transition to a company with an Audit and Supervisory Committee at the close of this General Meeting of Shareholders, and the term of office of six Directors will expire.

Accordingly, we hereby propose electing six Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) following the transition to a company with an Audit and Supervisory Committee.

Please note that the resolution of this proposal shall become effective on the condition that the amendments to Proposal No. 2 take effect.

Candidates for Directors are as follows.

No.		Name		Position and assignment at the Company	Status of attendance at Board of Directors meetings
1	Reappointment	Jun Yamaguchi	60 years old	Representative Director, President & CEO	100% (14/14 meetings)
2	Reappointment	Keisuke Aoike	58 years old	Representative Director, Managing Executive Officer Assistant to President, CFO, In charge of Sustainability, In charge of the Systems Department	100% (14/14 meetings)
3	Reappointment	Akira Yamao	64 years old	Director, Managing Executive Officer General Manager, Sales Division, In charge of Parts Sales Division	100% (14/14 meetings)
4	Reappointment	Minako Takeuchi	65 years old	Outside Director Independent officer Director	100% (14/14 meetings)
5	Reappointment	Atsushi Hagita	67 years old	Outside Director Independent officer Director	100% (10/10 meetings)
6	New Appointment	Yuka Matsuda	65 years old	Outside Director Independent officer Corporate Auditor	100% (14/14 meetings)

No. **Jun Yamaguchi** June 16,1965 (60 years old) Reappointed
1 Number of years in office as Director: 7 years
Number of shares of the Company held: 16,600 shares
Status of attendance: Board of Directors meetings 100% (14/14 meetings)

Career summary, position and assignments

April 1989	Joined the Company
September 2009	Head of Spring Sales Department of the Company
April 2014	Deputy General Manager, Spring Division of the Company
October 2016	Head of Marketing & Sales Planning, Corporate Planning Division of the Company
July 2017	General Manager, Corporate Planning Division of the Company
June 2019	Director and in charge of Corporate Planning Division, Procurement Department of the Company
March 2020	Director and in charge of Springs Business, Corporate Planning Division, Procurement Department of the Company
June 2021	Director, Managing Executive Officer In charge of Planning Management Division, Procurement Department, and Systems Department of the Company
June 2022	Representative Director, President & CEO of the Company (incumbent)

Reasons for the election of the Director candidate

Since June 2022, Mr. Jun Yamaguchi has served as Representative Director where he led the drafting and implementation of company-wide global management strategies. He has full knowledge of the Company's businesses and challenges based on his experience as Director for the Sales Unit, Corporate Planning Unit, and the Operating Unit. He has also drafted and led the Mid-term Business Plan towards achieving the ideal vision for 2030. We expect that he will be able to contribute to achieving sustainable growth and improving the enterprise value of the Company by participating in managerial decision-making. Therefore, we elected him as a candidate for Director again.

No.	Keisuke Aoike	August 10, 1967 (58 years old)	Reappointed
2	Number of years in office as Director: 2 years		
	Number of shares of the Company held: 1,800 shares		
	Status of attendance:	Board of Directors meetings 100% (14/14 meetings)	

Career summary, position and assignments

April 1990	Joined The Mitsubishi Bank, Ltd. (now MUFG Bank, Ltd.) (“MUFG”)
May 2016	General Manager, Global Compliance Division, Mitsubishi UFJ Financial Group, Inc. (special assignment)
May 2017	General Manager, Global Business Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (now MUFG Bank, Ltd.) (“MUFG”)
March 2019	General Manager, Global Compliance Division, Mitsubishi UFJ Financial Group, Inc. (special assignment)
March 2020	Senior General Manager, Global Compliance Division, Mitsubishi UFJ Financial Group, Inc.
June 2020	Senior Fellow, Senior General Manager, Global Compliance Division, MUFG Bank, Ltd.
June 2022	Managing Executive Officer, BOT Lease Co., Ltd.
June 2023	Director, Managing Executive Officer, BOT Lease Co., Ltd.
June 2024	Representative Director, Managing Executive Officer Assistant to President (Overall administration), In charge of Sustainability of the Company
April 2025	Representative Director, Managing Executive Officer Assistant to President, CFO, In charge of Sustainability of the Company
April 2026	Representative Director, Managing Executive Officer Assistant to President, CFO, In charge of Sustainability, In charge of the Systems Department of the Company (incumbent)

Reasons for the election of the Director candidate

Mr. Keisuke Aoike worked at corporate planning units, served as an overseas representative and an officer for IT, and served as a head of compliance department at major financial institutions and other entities. He has a wide range of corporate expertise based on, among other things, his experience in corporate management and management strategy. We expect that he will be able to contribute to achieving sustainable growth and improving the enterprise value of the Company by participating in managerial decision-making. Therefore, we elected him as a candidate for Director again.

No. **Akira Yamao** August 3, 1961 (64 years old) Reappointed
3 Number of years in office as Director: 3 years
Number of shares of the Company held: 8,700 shares
Status of attendance: Board of Directors meetings 100% (14/14 meetings)

Career summary, position and assignments

April 1985	Joined the Company
April 2003	Manager, Parts Sales Department of the Company
March 2006	Manager, Spring Sales Department of the Company
June 2010	General Manager, Parts Sales Division of the Company
October 2016	General Manager, Steel Bar Division, General Manager, Parts Sales Division of the Company
June 2017	Director, General Manager, Sales Division, General Manager, Steel Bar Division, General Manager, Parts Sales Division of the Company
June 2019	Director, General Manager, Sales Division and in charge of Formed & Fabricated Products Business and Parts Sales Business of the Company
June 2021	Senior Executive Officer, General Manager, Sales Division, Head of Sales Strategy Office and in charge of Parts Sales Division of the Company
June 2022	Managing Executive Officer, General Manager, Sales Division and in charge of Parts Sales Division of the Company
June 2023	Director, Managing Executive Officer General Manager, Sales Division and in charge of Parts Sales Division of the Company (incumbent)

Significant concurrent positions

Chairman of the Board, MSM (THAILAND) CO., LTD.

Reasons for the election of the Director candidate

Mr. Akira Yamao has promoted the Company's sales strategies in the Mid-term Business Plan with his deep knowledge about the challenges facing the Company's businesses and sales force based on, among other things, his management experience as Managing Executive Officer for the Sales Unit. Accordingly, we expect that he will be able to contribute to achieving sustainable growth and improving the enterprise value of the Company by participating in managerial decision-making. Therefore, we elected him as a candidate for Director again.

No.	Yuka Matsuda	September 19, 1960 (65 years old)	New Appointment
			Outside Director
			Independent Officer

6 Number of years in office as Corporate Auditor: 4 years
Number of shares of the Company held: 400 shares
Status of attendance: Board of Directors meetings 100% (14/14 meetings),
Board of Corporate Auditors meetings 100% (14/14 meetings)
Outside Officer Council Meeting 100% (4/4 meetings)

Career summary, position and assignments

April 1985	Joined Citibank N.A., Tokyo Branch
October 1991	Joined Chuo Shinko Audit Corporation
October 1992	Joined Coopers & Lybrand International Taxation Office (currently PwC Tax Japan)
April 1995	Registration of Certified Public Accountant
April 1999	Registration as Tax Accountant
July 2014	Director, PwC Tax Japan
June 2021	Representative, Matsuda Yuka CPA and Tax Accounting Office (incumbent)
July 2021	Outside Corporate Auditor, DKK Co., Ltd.
June 2022	Outside Corporate Auditor of the Company (incumbent)
July 2022	Supervisory Officer, Nochu JAML REIT Investment Corporation (incumbent)
March 2023	Outside Director, Dentsu Group Inc. (incumbent)

Significant concurrent positions

Representative, Matsuda Yuka CPA and Tax Accounting Office
Outside Director, Dentsu Group Inc.

Reasons for the election of the Outside Director candidate and outline of expected roles

Although Ms. Yuka Matsuda has never been involved in corporate management, she has contributed to the Company as an Outside Corporate Auditor based on her many years of expertise and experience as a certified public accountant and tax accountant. We expect that she will be able to leverage her expertise and experience to date to contribute to further strengthening the Company's management oversight function. Furthermore, we expect that she will be able to contribute to achieving sustainable growth and improving the enterprise value of the Company by participating in managerial decision-making as a Director of the Company, which is in a transformation period. Therefore, we elected her as a candidate for Director.

(Notes)

1. Mr. Atsushi Hagita assumed his position as Director on June 20, 2025. As a result, the number of Board of Directors meetings, Nomination and Compensation Committee meetings, and Outside Officer Council Meeting meetings he was eligible to attend differs from that of the other Directors.
2. Although Mr. Atsushi Hagita previously served at Mitsubishi Heavy Industries, Ltd., the value of business transactions between the Company and such company is less than 2% of the Company's consolidated net sales, and does not affect his independence.
3. Ms. Minako Takeuchi, Mr. Atsushi Hagita, and Ms. Yuka Matsuda are independent officers as stipulated by Tokyo Stock Exchange, Inc. and the Company's "Independence Criteria for Outside Officers." If their election is approved, they will continue to be independent officers.
4. There are no conflicts of interest between each of the candidates for Director and the Company.
5. Pursuant to Article 427 (1) of the Companies Act, the Company entered into an agreement with Ms. Minako Takeuchi, Mr. Atsushi Hagita, and Ms. Yuka Matsuda to limit their respective liabilities for damages provided for in Article 423 (1) of the Companies Act. The maximum amount of liabilities under such agreement is the total amount as stipulated in each item of Article 425 (1) of the Companies Act. The agreements will be renewed with them if their elections are approved.
6. The Company entered into a director liability insurance contract as provided for in Article 430-3 (1). The outline of the insurance contract is as shown on the Business Report. If the election of each of the candidates for Directors is approved, they will continue to remain insured persons in the insurance contract. The insurance contract will be renewed without alteration when it is due for renewal.
7. In December 2021, it was found and announced that there was, in part, an inappropriate internal report regarding the attribution of sales to the period at Nihon M&A Center Co., Ltd., a subsidiary of Nihon M&A Center Holdings Co., Ltd., where Ms. Minako Takeuchi is an outside director. The subsidiary has corrected inappropriate accounting treatment in securities reports, etc. from the first quarter of the fiscal year ended March 2021. She was unaware of this fact until the problem was discovered, as an outside director of the company; however, she has been issuing alerts about thorough compliance awareness to the employees on a daily basis. And since the discovery of the fraud, she has been responsible for preventing recurrence by making recommendations on analysis and elucidation of the cause of occurrence, responsibility and disposition of officers and employees, and measures to prevent recurrence.
8. DKK Co., Ltd., where Ms. Yuka Matsuda served as Outside Corporate Auditor until June 27, 2025, stated in the internal control report for the fiscal year ended March 31, 2024 submitted on June 28, 2024, that there were material weaknesses that should be disclosed and that the company's internal controls over financial reporting were not effective. As Corporate Auditor, she, in cooperation with the internal audit office and accounting auditor, periodically checked the status of the executive side's response in order to prevent recurrence, and made recommendations and issued alerts. After the occurrence of the said matter, she appropriately responded as a Corporate Auditor regarding the formulation of corrective policies, including measures to prevent recurrence, and thereby fulfilled her duties and responsibilities. In addition, on December 5, 2024, the company received a recommendation from the Japan Fair Trade Commission pursuant to Article 7 (3) of the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors (hereinafter, referred to as the "Subcontract Act") on the grounds that there were facts found to constitute acts set forth in Article 4 (2) (iii) of the said Act (prohibition of unjust requests for economic benefits) and to be in violation of the provisions of the said paragraph. In order to prevent recurrence of the said matter, she made various recommendations regarding compliance to laws and regulations and issued warnings. After the occurrence of the said matter, she worked to strengthen the company's check system and reinforce monitoring in order to prevent recurrence, and fulfilled her duties and responsibilities.
9. The Nomination and Compensation Committee consists of Chairman of the board and two independent Outside Directors (one of them is Chairperson). The Board of Directors consults with the committee for the decision on nomination and remuneration of Managing Executive Officers and above and receives its comments to improve objectivity and transparency of nomination and remuneration.
10. Outside Officer Council Meeting reinforces the function of the Board of Directors to supervise business execution aiming to activate discussion on management strategies by the Board of Directors and improve the effectiveness of the supervision and monitoring of management. Meetings are held once every three months and six Outside Directors and Outside Corporate Auditors attend.
11. Mr. Akira Yamao had been a Director of the Company previously, and the accumulated number of years in office as Director is seven years.

Proposal No. 4: Election of Four Directors who are Audit and Supervisory Committee Members

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed at this General Meeting of Shareholders, the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, we hereby propose electing four Directors who are Audit and Supervisory Committee Members.

The Board of Corporate Auditors’ consent has been obtained for this Proposal.

Please note that the resolution of this proposal shall become effective on the condition that the amendments to the Articles of Incorporation pertaining to Proposal No. 2 take effect.

Candidates for Directors who are Audit and Supervisory Committee Members are as follows.

No.	Name			Position and assignment at the Company	Status of attendance at Board of Directors meetings	Status of attendance at Board of Corporate Auditors meetings	
1	<input type="checkbox"/> New <input type="checkbox"/> Appointment	Yoshitaka Mio	60 years old	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer	Corporate Auditor	100% (10/10 meetings)	100% (10/10 meetings)
2	<input type="checkbox"/> New <input type="checkbox"/> Appointment	Yoshimi Nakamori	61 years old		Corporate Auditor	100% (14/14 meetings)	100% (14/14 meetings)
3	<input type="checkbox"/> New <input type="checkbox"/> Appointment	Yukio Takami	70 years old	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer	—	— (—/— meetings)	— (—/— meetings)
4	<input type="checkbox"/> New <input type="checkbox"/> Appointment	Chika Morifuji	60 years old	<input type="checkbox"/> Outside Director <input type="checkbox"/> Independent officer	—	— (—/— meetings)	— (—/— meetings)

No. **Yoshitaka Mio** August 15, 1965 (60 years old)

New Appointment
Outside Director
Independent Officer

1 Number of years in office as Corporate Auditor: 1 year
Number of shares of the Company held: 200 shares
Status of attendance: Board of Directors meetings 100% (10/10 meetings),
Board of Corporate Auditors meetings 100% (10/10 meetings)
Outside Officer Council Meeting 100% (3/3 meetings)

Career summary, position and assignments

April 1988	Joined Toyo Trust and Banking Company, Limited (currently MUTB)
August 2010	General Manager, Corporate Agency Business Division IV, MUTB
June 2014	General Manager, Osaka Corporate Agency Business Division, MUTB
June 2015	Executive Officer and General Manager, Osaka Corporate Agency Business Division, MUTB
June 2017	Vice President and Representative Director, Mitsubishi UFJ Daiko Business Co., Ltd.
April 2025	Advisor, Mitsubishi UFJ Daiko Business Co., Ltd.
June 2025	Corporate Auditor of the Company (incumbent)

Reasons for the election of the Outside Director candidate and outline of expected roles

Mr. Yoshitaka Mio served as head of corporate agency business divisions at major financial institutions and other entities. He has knowledge of sales and expertise in legal affairs and risk management. We expect that electing him as a Director who is an Audit and Supervisory Committee Member will help ensure the effectiveness of audits, and ensure the soundness and appropriateness of, and improve the transparency of, the Company's managerial decision-making, which will contribute to achieving sustainable growth and improving the enterprise value of the Company. Therefore, we elected him as a candidate for Director who is an Audit and Supervisory Committee Member.

No.	Yoshimi Nakamori	May 8, 1965 (61 years old)	New Appointment
2	Number of years in office as Corporate Auditor: 3 years		
	Number of shares of the Company held: 3,000 shares		
	Status of attendance: Board of Directors meetings 100% (14/14 meetings), Board of Corporate Auditors meetings 100% (14/14 meetings) Outside Officer Council Meeting 100% (4/4 meetings)		

Career summary, position and assignments

April 1990	Joined the Company
April 2014	Deputy General Manager, Steel Bar Division of the Company
October 2016	Manager, Operations Planning Department, Corporate Planning Division of the Company
December 2018	Deputy General Manager, Steel Bar Division and Manager, Operations Planning Department, Corporate Planning Division of the Company
June 2021	Executive Officer, Manager, Operations Planning Department, Planning Management Division of the Company
June 2022	Executive Officer, Manager, Operations Planning Department, Planning Management Division, In charge of Quality Assurance, Safety, and Carbon Neutral of the Company
June 2023	Corporate Auditor of the Company (incumbent)

Reasons for the election of the Director candidate

Mr. Yoshimi Nakamori has held posts such as Deputy General Manager of Steel Bar Division and Manager of Operations Planning Department of Planning Management Division since he joined the Company. He is well-versed in the operations of the Company, and has a wealth of business experience and a variety of knowledge that allow him to properly execute the business administration of the Group. We expect that appointing him as a Director who is an Audit and Supervisory Committee Member will help ensure the effectiveness of audits, and ensure the soundness and appropriateness of, and improve the transparency of, the Company's managerial decision-making, which will contribute to achieving sustainable growth and improving the enterprise value of the Company. Therefore, we elected him as a candidate for Director who is an Audit and Supervisory Committee Member.

No. **Yukio Takami** November 2, 1955 (70 years old)

New Appointment
Outside Director
Independent Officer

3 Number of shares of the Company held: –

Career summary, position and assignments

April 1984	Registered as a lawyer, joined Naritomi General Law Firm
April 2001	Founded Nishikomi & Takami Law Firm (incumbent)
April 2007	Vice-president, Dai-Ichi Tokyo Bar Association
June 2013	Outside Audit & Supervisory Board Member, DM Solutions Co., Ltd. (incumbent)
May 2015	Outside Audit & Supervisory Board Member, Tokyo Individualized Educational Institute, INC.
June 2016	Outside Audit & Supervisory Board Member, Enshu Truck Co., Ltd.
June 2018	Outside Director, Enshu Truck Co., Ltd.
April 2024	Regular Meeting Chairperson, Dai-Ichi Tokyo Bar Association

Significant concurrent positions

Nishikomi & Takami Law Firm

Outside Audit & Supervisory Board Member, DM Solutions Co., Ltd.

Reasons for the election of the Outside Director candidate and outline of expected roles

Although Mr. Yukio Takami has never been involved in corporate management, he has many years of experience as a lawyer and possesses extensive knowledge of law and compliance as well as a high level of insight based on his abundant experience serving as an outside officer. We expect that electing him as a Director who is an Audit and Supervisory Committee Member will help ensure the effectiveness of audits, and ensure the soundness and appropriateness of, and improve the transparency of, the Company's managerial decision-making, which will contribute to achieving sustainable growth and improving the enterprise value of the Company. Therefore, we elected him as a candidate for Director who is an Audit and Supervisory Committee Member.

No. **Chika Morifuji** September 13, 1965 (60 years old)

New Appointment
Outside Director
Independent Officer

4 Number of shares of the Company held: –

Career summary, position and assignments

April 1988	Joined Citibank, N.A., Tokyo Branch
November 1994	Joined Chuo Coopers & Lybrand International Tax Office (currently PwC Tax Japan)
July 1996	Joined Paribas Securities Limited Tokyo branch (currently BNP Paribas Securities (Japan) Limited)
June 1999	Registered as a Certified Public Accountant
July 1999	Joined Deutsche Securities Limited Tokyo branch (currently Deutsche Securities Inc.)
October 2004	Joined The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch
June 2024	Representative in Japan, HSBC Services Japan Limited

Reasons for the election of the Outside Director candidate and outline of expected roles

Ms. Chika Morifuji will be able to apply to audits her many years of expertise and experience as a Certified Public Accountant and at foreign-affiliated financial institutions. Furthermore, we determined that there is no risk of conflicts of interest with general shareholders, and that she will be able to provide appropriate advice from a neutral and fair standpoint. Therefore, we elected her as a candidate for Director who is an Audit and Supervisory Committee Member.

(Notes)

1. Ms. Chika Morifuji's name on the family register is Chika Ando.
2. Mr. Yoshitaka Mio assumed his position as Corporate Auditor on June 20, 2025. As a result, the number of Board of Directors meetings, Board of Corporate Auditors meetings, and Outside Officer Council Meeting meetings he was eligible to attend differs from that of the other Directors.
3. Although Mr. Yoshitaka Mio previously served at MUTB, the Company has no borrowings from the company. Furthermore, while the Company does engage in business transactions with such company, the value of such transactions is less than 2% of the Company's consolidated net sales, and does not affect his independence.
4. Mr. Yoshitaka Mio is an independent officer as stipulated by Tokyo Stock Exchange, Inc. and the Company's "Independence Criteria for Outside Officers." If his election is approved, he will continue to be an independent officer. If the election of Mr. Yukio Takami and Ms. Chika Morifuji is approved, the Company intends to register them as independent officers with Tokyo Stock Exchange, Inc.
5. There are no conflicts of interest between each of the candidates for Director who is an Audit and Supervisory Committee Member and the Company.
6. Pursuant to Article 427 (1) of the Companies Act, the Company entered into an agreement with Mr. Yoshitaka Mio and Mr. Yoshimi Nakamori to limit their respective liabilities for damages provided for in Article 423 (1) of the Companies Act. The maximum amount of liabilities under such agreement is the total amount as stipulated in each item of Article 425 (1) of the Companies Act. The agreements will be renewed with Mr. Yoshitaka Mio and Mr. Yoshimi Nakamori if their elections are approved. If the election of Mr. Yukio Takami and Ms. Chika Morifuji is approved, the Company intends to enter into similar agreements with them to limit their liability for damages.
7. The Company entered into a director liability insurance contract as provided for in Article 430-3 (1). The outline of the insurance contract is as shown on the Business Report. If the election of Mr. Yukio Takami and Ms. Chika Morifuji as Directors are approved and they assume office, they will be insured persons in the insurance contract. The insurance contract will be renewed without alteration when it is due for renewal.

(Reference)**Skill matrix assuming the proposal is approved without change from the original**

The Company has an advantage in “manufacturing seamlessly from materials to products.” By responding appropriately to changes through the ages and by providing products in a wide range of fields including automobiles and construction machinery, the Company aims to grow sustainably while contributing to society.

We are aware that in order to achieve this goal, it is important that our Directors with a wide variety of knowledge and experience (hereinafter, referred to as “skills”) engage in active discussions and deep deliberations at meetings of the Board of Directors.

In particular, in order to strengthen our core businesses and grow our strategic businesses in the rapidly changing business environment and to promote management focusing on human capital and sustainability (ESG), we believe that both of the following types of skills are essential -- skills that we seek as a listed company and skills that we believe are necessary to achieve our growth strategies. Therefore, the Company’s skill matrix and the reasons for selecting skills are as shown in the table below.

◎: Field particularly expected to be addressed. ○: Field in which the candidate has appropriate knowledge.

	Name	Gender	Skills we seek as a listed company						Skills we believe are necessary to achieve our growth strategies		
			Corporate management strategy and global	IT and digital	Governance, legal affairs and risk management	Human resources management	Financial affairs, accounting, tax affairs, and capital policy	ESG and sustainability	Expertise in the industry	Sales, business development & marketing	Manufacturing and R&D
Directors (excluding Audit and Supervisory Committee Members)	Jun Yamaguchi	male	◎			◎		○	◎	◎	
	Keisuke Aoike	male	◎	○	◎		◎	◎			
	Akira Yamao	male	◎						◎	◎	
	Minako Takeuchi	Outside Independent	female	○	◎		◎		◎		
	Atsushi Hagita	Outside Independent	male	◎					○		◎
	Yuka Matsuda	New Appointment Outside Independent	female	○		◎		◎			
Directors who are Audit and Supervisory Committee Members	Yoshitaka Mio	New Appointment Outside Independent	male	○		◎		◎		○	
	Yoshimi Nakamori	New Appointment	male	○					○	◎	○
	Yukio Takami	New Appointment Outside Independent	male			◎	○				
	Chika Morifuji	New Appointment Outside Independent	female	○				◎	○		

[Reasons for Selecting skills]

<Skills we seek as a listed company>

Corporate management, strategy and global	The experience of engaging in organizational operation as a member of the management team is necessary to identify opportunities and risks from business perspectives and to fulfill appropriate decision-making and supervisory functions, amid the significant changes in the global business environment.
IT and digital	Knowledge of and experience in the IT and digital field are necessary to create new corporate values and to promote the improvement of productivity by utilizing digital technology.
Governance, legal affairs and risk management	Developing our business globally and establishing a robust governance system require extensive knowledge of risk management and corporate governance, as well as a wide range of knowledge, experience, and expertise for supervising management from legal perspectives.
Human resources management	It is important to create workplace environments that make active use of flexible creativity and human resources brought by diversity. This requires knowledge and experience of developing personnel strategies that maximize employees' abilities in the field of human resources management, labor, and human resources development.
Financial affairs, accounting, tax affairs, and capital policy	Extensive knowledge and experience in the field of financial affairs and accounting are necessary to develop and promote capital strategies for achieving accurate financial reports, the securing of stable financial foundations, and appropriate returns to shareholders.
ESG and sustainability	Extensive knowledge and experience in the field of sustainability and ESG are necessary to aim at becoming a more reliable company by fulfilling our social mission and to contribute to realizing a sustainable society through dialogue with stakeholders.

<Skills we believe are necessary to achieve our growth strategies>

Expertise in the industry	Sustainably improving our corporate value requires having a detailed knowledge of sales, technology, and R&D and having the experience of drafting and implementing business strategies.
Sales, business development and marketing	Establishing our foundation for growth in domestic and overseas markets requires skills for leading and supervising the development of effective sales strategies by capturing customer needs. Creating new businesses requires knowledge about comprehensive marketing abilities.
Manufacturing and R&D	Advanced know-how and knowledge of and experience in manufacturing and R&D are necessary to promote efforts to improve productivity, reliable manufacturing, and the creation of safe workplace environments.

Proposal No. 5: Determination of Amount of Compensation, etc. for Directors (Excluding Directors who are Audit and Supervisory Committee Members)

The 92nd Ordinary General Meeting of Shareholders held on June 17, 2016 resolved the amount of remuneration for Directors of the Company to be within 400 million yen per year (of which the amount for Outside Directors shall be within 50 million yen per year), and this remains in effect to date. However, the Company will transition to a company with an Audit and Supervisory Committee, subject to the approval of Proposal No. 2 “Partial Amendments to the Articles of Incorporation.” Accordingly, in accordance with the provisions of Article 361 (1) and (2) of the Companies Act, we hereby propose to abolish the current above compensation framework for Directors and, taking into account economic conditions and various factors, to set the amount of compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter in this proposal) at within 400 million yen per year (of which the amount for Outside Directors shall be within 70 million yen per year). The policy for determining the content of individual compensation, etc. for Directors of the Company is as set forth in the Business Report (pages 47 to 48 of this Notice of Convocation). The content of individual compensation, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members) after the transition to a company with an Audit and Supervisory Committee will be decided by the Nomination and Compensation Committee upon delegation by the Board of Directors. The compensation, etc. amount under this proposal will be used to provide fixed remuneration and performance-linked compensation based on the policy after this revision, and as we have received an opinion from the Nomination and Compensation Committee, the majority of whose members are Outside Directors, that this amount of compensation, etc. is appropriate, we have determined it to be reasonable. This amount of compensation, etc. does not include the employee portion of salaries paid to Directors who concurrently serve as employees.

If Proposal No. 2 and Proposal No. 3 are approved as originally proposed, the number of Directors who will be eligible to receive compensation, etc. pursuant to the resolution of this proposal will be six (including three Outside Directors).

The resolution of this proposal shall become effective on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed and the amendments to the Articles of Incorporation pursuant to such resolution take effect.

Proposal No. 6: Determination of the Amount of Compensation, etc. for Directors who are Audit and Supervisory Committee Members

Pursuant to the approval of Proposal No. 2 “Partial Amendments to the Articles of Incorporation,” the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, in accordance with the provisions of Article 361 (1) and (2) of the Companies Act, we hereby propose to set the amount of compensation, etc. for Directors who are Audit and Supervisory Committee Members to be within 100 million yen per year. The specific contents of compensation, etc. for individual Directors who are Audit and Supervisory Committee Members shall be determined through consultation among the Directors who are Audit and Supervisory Committee Members.

The contents of this proposal have taken into account economic conditions and various other factors, and as we have received an opinion from the Nomination and Compensation Committee, the majority of whose members are Outside Directors, that the content is appropriate, we have judged them to be reasonable.

If Proposal No. 2 and Proposal No. 4 are approved as originally proposed, the number of Directors who are Audit and Supervisory Committee Members eligible to receive compensation, etc. based on the resolution of this proposal will be four.

The resolution of this proposal shall become effective on the condition that Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed and the amendments to the Articles of Incorporation pursuant to such resolution take effect.

Proposal No. 7: Partial Revision to the Performance-linked Stock Compensation Plan for Directors, etc. (Excluding Directors who are Audit and Supervisory Committee Members)

The 93rd Ordinary General Meeting of Shareholders held on June 23, 2017, resolved to adopt a performance-linked stock compensation plan for Directors of the Company (excluding Outside Directors) (hereinafter, referred to as the “Plan”) under which a trust acquires Company shares by spending the remuneration for personnel eligible for the Plan contributed by the Company and executes the granting or payment (hereinafter, referred to as “Granting, etc.”) of Company shares and cash in the amount equivalent to the conversion value of Company shares (hereinafter, referred to as “Company Shares, etc.”) to eligible personnel. Subsequently, partial revisions to the Plan were approved at the 97th Ordinary General Meeting of Shareholders held on June 25, 2021, the 99th Ordinary General Meeting of Shareholders held on June 28, 2023, and the 100th Ordinary General Meeting of Shareholders held on June 21, 2024.

If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” is approved as originally proposed, the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, aiming to improve enterprise value with the cohesive efforts of all Directors (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors, and non-residents of Japan) and Executive Officers under delegation and employment contract (excluding non-residents of Japan; hereinafter, collectively referred to as “Directors and Director Equivalents”), we hereby propose revising the details of the Plan partially to modify eligible persons and performance indicators, among other items.

The details of the revision of the Plan are shown in the table below.

	Before Revision	After Revision
Persons eligible for the Granting, etc. of Company Shares, etc. subject to the Plan	<ul style="list-style-type: none"> - Directors of the Company (excluding Outside Directors) - Executive Officers under delegation and employment contract with the Company 	<ul style="list-style-type: none"> - Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors, and non-residents of Japan) - Executive Officers under delegation and employment contract with the Company (excluding non-residents of Japan)
Maximum amount of money that can be contributed to the trust by the Company (*1)	An amount to be determined by multiplying 250 million yen by the number of years of each target period	An amount to be determined by multiplying 250 million yen by the number of years of each target period
Maximum number of Company shares (including those subject to realization) that can be acquired by Directors and Director Equivalents (*1)	A number of shares to be determined by multiplying 280,000 shares by the number of years of each target period	A number of shares to be determined by multiplying 280,000 shares by the number of years of each target period
Indicators to measure business performance achievement level	Mid-term Business Plan target values for consolidated net sales, consolidated operating income, ROE, CO ₂ emissions, etc.	Mid-term Business Plan target values for consolidated operating income, consolidated net income (attributable to owners of parent), ROE, TSR, GHG emission reductions, etc.

- (*1) After the Nomination and Remuneration Committee compares and verifies against objective research data on remuneration, etc., of outside specialized institutions, it is determined based on the appropriate remuneration level and remuneration composition ratio.

The outline of current decision-making policy on remuneration, etc. for individual Directors and Director Equivalents of the Company are as stated in the Business Report. The proposal is about necessary and reasonable matters related to the calculation method for the individual performance-linked stock compensation plan, the rate of the performance-linked stock compensation in the total remuneration, and the maximum payment amount based on the number, etc. of eligible Directors and Director Equivalents, which are defined in the policy. Therefore, we think the revision is adequate.

This proposal sets a separate framework from the maximum amount of compensation for which approval is requested under Proposal No. 5 “Determination of Amount of Compensation, etc. for Directors (Excluding Directors who are Audit and Supervisory Committee Members).” If Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Six Directors (Excluding Directors who are Audit and Supervisory Committee Members)” are approved as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members, Outside Directors, and non-residents of Japan) who will be eligible to receive compensation, etc. pursuant to the resolution of this proposal will be three.

This proposal also includes compensation for Executive Officers (excluding non-residents of Japan), and the Executive Officers eligible for the Plan who do not concurrently serve as Directors at the close of this General Meeting of Shareholders will be 10.

The amount and details of the Plan

(1) Overview of the Plan

Overview of the plan is stated in the table below. (For details, please see (2) and after.)

(i) Persons eligible for the Granting, etc. of Company Shares, etc. subject to the Plan	<ul style="list-style-type: none"> - Directors of the Company (excluding Directors who are Audit and Supervisory Members, Outside Directors, and non-residents of Japan) - Executive Officers under delegation and employment contract with the Company (excludes non-residents of Japan)
(ii) Impact of Company shares, etc. subject to the Plan on the total shares outstanding	
Maximum amount of money that can be contributed to the trust by the Company (as stated in (2) below)	- An amount to be determined by multiplying 250 million yen by the number of years of each target period, and 750 million yen applies to the initial target period after revision, a three fiscal-year target period.
Maximum number of Company shares (including those subject to realization) that can be acquired by Directors	<ul style="list-style-type: none"> - A number of shares to be determined by multiplying 280,000 shares by the number of years of each target period, and 840,000 shares applies to the initial target period after revision, a three fiscal-year target period. - 280,000 shares a year on average and approximately 1.8% of the total number of shares outstanding (as of March 31, 2026, after subtraction of treasury shares)
Method of acquisition of Company shares by the trust (as stated in (2) and (3) below)	- No dilution will occur as treasury shares will be acquired via the stock market.

(iii) Description of conditions for achievement of performance target (as stated in (3) below)	<ul style="list-style-type: none"> - Mid-term Business Plan target values for consolidated operating income, consolidated net income (attributable to owners of parent), ROE, TSR, and GHG emission reductions, etc. in the final year in the target period (defined in item (2) below) - The number of shares is determined within the range of 0 to 200%.
(iv) Timing of Granting, etc. of Company shares, etc. to Directors and Director Equivalents (as stated in (4) below)	<ul style="list-style-type: none"> - The August immediately after the expiration of the target period - Directors and Director Equivalents should continue to own Company shares acquired by the Plan until one year after their resignation.

(2) Maximum amount of money contributed that can be contributed to the trust by the Company

The Plan's target period shall be fiscal years corresponding to the period of the Company's Mid-term Business Plan (the "Target Period"). Thus, the initial target period after revision shall be three fiscal years from the fiscal year ending March 31, 2027, to the fiscal year ending March 31, 2029. (In the case of extending the trust period set forth below, it shall be fiscal years corresponding to the period of the Company's subsequent Mid-term Business Plan.)

The Company will create a trust for Directors and Director Equivalents who meet the beneficiary requirements as Beneficiaries with a trust period corresponding to a target period (three years for the initial target period after revision) (the "Trust") by contributing cash up to 250 million yen (750 million yen for the initial target period after revision) multiplied by the number of years during the target period as remuneration to Directors and Director Equivalents for each target period.

The Trust obtains the Company's shares through disposal of treasury stock by third-party allotment or issuance of new shares by the Company or the stock market using trust money as the fund following the instructions of a trust administrator. For the revision of the Plan of this fiscal year, the Company will contribute money additionally in the established trust as required to an extent not exceeding the maximum value of money mentioned above to acquire the Company's shares via the stock market.

Every year during the Trust Period, the Company will grant points (as stated in (3) below) to Directors and Director Equivalents and the Trust will execute the Granting, etc. of Company Shares, etc. to Directors and Director Equivalents who meet the beneficiary requirements.

At the time of expiration of the period of the Trust, the Company may continue the Trust by amending the Trust agreement and making additional contributions to the Trust, instead of establishing a new trust. In this case, the number of years corresponding to the Mid-term Business Plan in progress then will become a new target period, and the trust period of the trust in question will also be extended for a period identical in length to the new target period. The Company will contribute additional cash up to an amount to be determined by multiplying 250 million yen by the number of years of the new target period for each Trust Period extended, and during such Trust Period extended, it will continue to grant points and the Granting, etc. of Company Shares, etc. to Directors and Director Equivalents. However, in cases where any residual shares and cash ("Residual Shares, etc.") exist within the trust property as of the last day of the period of the Trust prior to such extension, the total of the amount of Residual Shares, etc., and additional contribution to the Trust shall be within an amount to be determined by multiplying 250 million yen by the number of years of the new target period.

(3) Method of calculating Company shares to be granted to Directors and Director Equivalents. (including those subject to realization) and upper limit

The number of Company shares (including those subject to realization) that can be granted to Directors and Director Equivalents. shall be determined according to the given calculation formula based on points granted and the achievements of performance targets to the Mid-term Business Plan. Assuming that one point equals one share, if the number of Company shares attributable to the Trust increases or decreases due to share split, gratis allotment of shares, or share consolidation, the Company will arrange the number of Company shares (including those subject to realization) to which the Granting, etc. per point is provided, in proportion of the ratio of increase/decrease.

The Company will grant points to Directors and Director Equivalents. according to the following calculation formula at a certain time every year during the Trust Period.

(Point calculation formula)

Basic compensation by job position (*1) x Composition ratio of BIP Trust (*1) ÷ Average closing price of Company share in the Tokyo Stock Exchange in the month immediately before the Target Period starts (rounded down to the nearest decimal).

The Trust shall execute the Granting, etc. of Company Shares, etc., which is equivalent to points for share grant based on the following calculation formula, to Directors and Director Equivalents who meet the beneficiary requirements.

(Calculation formula of points for share grant)

The number of points accumulated during the Trust Period (hereinafter, referred to as the "Accumulated Point") x Performance-linked parameter (*2)

The total number of Company shares that the Trust grants to Directors and Director Equivalents is up to a number of shares to be determined by multiplying 280,000 shares by the number of years of a target period (*3).

(*1) Basic compensation by job position and Composition ratio of BIP Trust are determined taking into account responsibilities and duties of Directors and the ratio of cash and stock compensation to the total remuneration of Directors.

(*2) Performance-linked parameter will be set within the range of 0 to 200% according to achievement of performance target to those in the Mid-term Business Plan including consolidated operating income, consolidated net income (attributable to owners of parent), ROE, TSR, and GHG emission reductions, etc. in the final year in the Target Period.

(*3) This limit of the number of shares is set with reference to the latest share price, etc., taking into account the upper limit of trust in the above (2).

(4) Timing of Granting, etc. of Company shares, etc. to Directors and Director Equivalents

Directors and Director Equivalents who meet the beneficiary requirements are eligible to receive the Granting, etc. of Company Shares, etc., which is equivalent to points for share grant calculated based on (3) above, around August immediately after the expiration of the Target Period. The said Director and Director Equivalent is eligible to the Granting, etc. of Company shares corresponding to 50% of the said points (with any share less than one unit being rounded down) and cash in an amount equivalent to the conversion value of the remaining Company shares after converting into cash in the Trust.

(5) Exercise of voting rights pertaining to Company shares in the Trust

With regard to Company shares in the Trust, voting rights shall not be exercised by the Trust

during the Trust Period in order to ensure impartiality with respect to management.

(6) Reason for point forfeit

In the event of a serious breach being committed during the term of office of Director and Director Equivalent, the Company will forfeit his or her cumulative points.

(7) Other details of the Plan

Other details of the Plan shall be determined by meetings of the Board of Directors each time the Trust is set, changes are made to the Trust agreement, or additional contributions are made to the Trust.

(Reference)

For details of the Plan, please see “Notice Regarding Partial Revision of Performance-linked Stock Compensation Plan Due to Transition to a Company with an Audit and Supervisory Committee” disclosed on May 13, 2026.

(Appendix)

Business Report

from April 1, 2025 to March 31, 2026

1. Matters concerning Current Status of the Group

(1) Business Progress and Results

During the consolidated fiscal year under review (April 2025 through March 2026), amid increasing global uncertainty associated with U.S. trade policy developments, an economic downturn in China, and rising tensions in the Middle East, expectations in Japan grew for expansion of government investment in growth fields that resulted from changes in domestic economic and fiscal policies.

Looking at trends among the Group's customer industries, the construction machinery industry, where demand has been sluggish, showed signs of recovery from the second half onward, but conditions continued to lack strength. In the automotive industry, in addition to a review of production systems against the backdrop of U.S. tariff policies, some manufacturers undertook production adjustments due to constraints on the supply of components. In the growth areas on which the Group is focusing, such as national security and energy-related fields, related demand remained firm, supported in part by government policies.

Under these conditions, the Group posted consolidated net sales of 154,557 million yen in the fiscal year under review, 5,026 million yen (3.1%) lower year on year. Despite growth in the Springs Business, centered on precision parts and domestic springs, and in the Machinery Business with strong orders, sales fell due to factors including lower sales volumes associated with lower demand in the steel bars business in Japan, as well as blast furnace issues and a fire accident at the Muroran Works. Consolidated operating income was 4,788 million yen, down 1,775 million yen (27.0%) from the previous fiscal year, as the impacts of lower sales volume in the steel bars business in Japan and lower productivity at the Muroran Works overall due to blast furnace issues and the fire accident exceeded the contributions to earnings of precision parts, etc.

Ordinary income was 4,017 million yen, down 837 million yen (17.2%) from the previous fiscal year. While operating income declined, non-operating expenses contracted. Net income attributable to owners of parent was 3,055 million yen, up 691 million yen (29.3%) from the previous fiscal year. Although extraordinary losses were recorded for blast furnace-related expenses, this was offset by the elimination of extraordinary losses associated with the withdrawal of our German springs subsidiary in the previous fiscal year, as well as the recording of gain on sales of fixed assets and tax-effects, etc. associated with the sale of a Mexican subsidiary.

		102nd Fiscal Year (under review) (2025/4~2026/3)
Net sales	(billion yen)	154.6
Operating income	(billion yen)	4.8
Ordinary income	(billion yen)	4.0
Profit attributable to owners of the parent	(billion yen)	3.1
Dividend	(yen/share)	81

*The annual dividend amount in the event that Proposal No. 1 is approved as originally proposed at this General Meeting of Shareholders

[Results by Business]

Special Steel Bars Business

Results for the fiscal year under review	<p>The Special Steel Bars Business posted net sales of 64,905 million yen, down 16,621 million yen (20.4%) year on year. While sales volume was up in the overseas business in Indonesia, net sales were roughly flat year on year due to the impact of foreign exchange. On the other hand, lower sales volumes due to lower demand in the Japanese business and a decline in sales caused by blast furnace issues and the fire accident at the Muroran Works led to lower sales in the Special Steel Bars Business as a whole.</p> <p>Operating loss was 1,024 million yen, down 4,342 million yen from the previous fiscal year (operating income of 3,318 million yen in the previous term). Despite higher earnings in the overseas business in Indonesia due to sales price and cost improvements in addition to higher sales volumes, income fell sharply in the Japanese business due to factors including lower overall productivity at the Muroran Works accompanying lower volumes, as well as lower operating levels caused by blast furnace problems and the fire accident.</p>
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Description of main business

Special steel bars (carbon steels, low-alloyed steels, spring steels, non-heated steels, bearing steels, free-cutting steels, tool steels, nitride steels)

Main final uses

Construction machinery, automobiles, industrial machinery and machine tools, and others

Springs Business

Results for the fiscal year under review	<p>The Springs Business posted net sales of 76,203 million yen, up 10,104 million yen (15.3%) year on year. Despite the withdrawal from the German subsidiary, sales volumes were up in precision parts and in domestic springs, and net sales increased.</p> <p>Operating income was up 1,976 million yen (98.5%) year on year to 3,981 million yen. Income increased sharply due to increased sales volumes such as in precision parts as well as progress in improvements in selling prices and costs in domestic springs.</p>
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Description of main business

Coil springs, stabilizer bars, leaf springs, torsion bars, coiled wave springs, precision springs, various hinges, precision press products, plastic molded products, press assemblies, rubber track pads for shoe plates, tire protectors, tire chains and other various repair parts and products for automobiles and construction machinery

Main final uses

Automobiles, construction machinery, information-communication devices, and others

Formed & Fabricated Products Business

Results for the fiscal year under review	<p>The Formed & Fabricated Products Business posted net sales of 9,834 million yen, up 612 million yen (6.6%) year on year. Net sales increased due to improvements in selling prices for precision castings and higher sales volumes for special alloy powder.</p> <p>Operating income was 814 million yen, up 403 million yen (98.0%) from the previous fiscal year. Contributing factors included progress on sales price and production cost improvements in precision castings and other products, despite a time lag in passing on the rise in alloy raw material prices to the selling prices of special alloy powders.</p>
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Description of main business

Special alloy powder, fine special alloy powder, precision castings, precision forgings, castings, general forgings, special alloy materials and special alloy machinery products

Main final uses

Automobiles, electronic device, industrial machinery, and others

Machinery Business

Results for the fiscal year under review	<p>The Machinery Business posted net sales of 11,771 million yen, up 1,315 million yen (12.6%) year on year due to higher sales of defense equipment, overseas power equipment, forging machinery and other products, backed by strong orders received in fields such as national security and energy.</p> <p>Operating income was 890 million yen, up 181 million yen (25.6%) from the previous fiscal year as net sales increased and productivity improved in various products.</p>
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Description of main business

Forging machinery, industrial machinery, steel fabrication, environmental recycling equipment

Other Business

Results for the fiscal year under review	<p>Other Business, which consists of distribution, services, and other businesses, posted net sales of 3,711 million yen, up 37 million yen (1.0%) year on year.</p> <p>Operating income was 139 million yen, down 6 million yen (4.5%) from the previous fiscal year.</p>
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Description of main business

Domestic shipping, port transportation, consigned freight forwarding business, warehouses

(2) Issues to be Addressed

In order to realize its “ideal vision for 2030,” the Group has formulated the 2023 Mid-term Business Plan that covers the three-year period from fiscal 2023 to fiscal 2025, under which we have worked, with ROIC as the focal point, to strengthen our earning power, improve capital efficiency, and improve the soundness of our financial base as well as to advance the transformation of the Company’s business portfolio through strengthening the earning power of our core businesses and developing strategic businesses.

As a result, businesses other than domestic steel bars business have generally progressed at the planned level, and we have made progress in nurturing our strategic businesses and reviewing our business portfolio. Initiatives aimed at transforming the earnings structure, such as monetization of certain strategic businesses and the structural reform of the Springs Business, steadily progressed. In addition, with an emphasis on ROIC and CCC (cash conversion cycle), we promoted asset reductions, and progress was made in improving our financial position, including the reduction of interest-bearing debt.

On the other hand, due to factors such as the slump in the domestic steel bars business affected by blast furnace issues at the Muroran Works, the financial targets set forth in the 2023 Mid-term Business Plan, such as operating income and ROE, were not achieved, and PBR continues to remain below 1. We also recognize issues that remain regarding the sophistication of human capital management.

In light of these circumstances, the Company recognizes the following as important issues.

(Issues to be addressed by the Company)

- 1) Improvement of corporate value (PBR = 1 or higher)
- 2) Deepening of ROIC-based management (reforming business portfolio and optimizing allocation of generated cash)
- 3) Realization of the growth story (restructuring of core businesses and monetization of strategic businesses)
- 4) Enhancing organizational execution capabilities (promotion of human capital strategy and dissemination of the Purpose)

(Initiatives to address issues)

With regard to the improvement of corporate value, an important issue for the Company, we believe it is necessary, through the deepening of ROIC-based management, to advance the restructuring of core businesses to rebuild our earnings base and generate cash while concentrating resources into strategic businesses that will become drivers of future profit growth and transitioning them from the “growth” phase to the “monetization” phase.

Furthermore, the power of “human resources” is indispensable to advancing these initiatives. By establishing systems to develop and grow human resources, and evolving into a foundation that enables agile redeployment of human resources to growth businesses, we will enhance our execution capabilities as an organization and make our sustainable growth more certain.

With respect to enhancing corporate value, we believe it is necessary for all employees to regard the Company’s growth story as their own and to advance initiatives with a sense of conviction. In May of this year, the Company established and announced the Purpose of Mitsubishi Steel Group, as its reason for being within society, as follows:

Turning our passion into reality,

We take on challenges to support a sustainable future.

Going forward, by disseminating this Purpose both within and outside the Company, we will share the Company’s aspirations with our stakeholders, including our employees, and further accelerate our challenge toward the future for the sustainable growth of the Company, working

together as one.

Based on this recognition of the Company's important issues and measures to address them, in May of this year, we formulated and announced the "2026 Mid-term Business Plan" covering the three-year period of fiscal 2026 to fiscal 2028. We position this three-year period as a time to enhance the feasibility of realizing our ideal vision for 2030. Through the promotion of this Mid-term Business Plan, we will transform our profit structure by rebuilding our core businesses and monetizing our strategic businesses and enhance capital efficiency and execution capabilities, thereby realizing the sustainable improvement of corporate value.

Please refer to the Company's website (<https://www.mitsubishisteel.co.jp/english/ir/mid-plan/>) for details of the 2026 Mid-term Business Plan.

(3) Trends in Assets and Income Status

Status of the Group

Classification	99th Fiscal Year (2022/4~2023/3)	100th Fiscal Year (2023/4~2024/3)	101st Fiscal Year (2024/4~2025/3)	102nd Fiscal Year (under review) (2025/4~2026/3)
Net sales (million yen)	170,537	169,943	159,584	154,557
Operating income (million yen)	5,547	4,808	6,564	4,788
Ordinary income (million yen)	3,743	1,949	4,854	4,017
Profit (loss) attributable to owners of parent (million yen)	2,190	(969)	2,363	3,055
Profit (loss) per share (yen)	142.6	(63.5)	155.9	202.0
Total assets (million yen)	156,409	147,071	138,667	141,517

(4) Financing Status

Equipment funds and operating funds during the period under review were sourced from the Group's own funds and borrowings.

(5) Major Lenders (as of March 31, 2026)

Lender	(Millions of yen) Amount of borrowings (outstanding balance)
MUFG Bank, Ltd.	17,626
Development Bank of Japan Inc.	6,615
Hachijuni Nagano Bank, Ltd.	2,800
The Joyo Bank, Ltd.	2,440
The Chiba Bank, Ltd.	1,900

(6) Capital Investment Status

Capital investments made during the period under review totaled 4,800 million yen.

Main capital investments

Segment	Venue	Item
Special Steel Bars Business	Mitsubishi Steel Muroran Inc.	Renewal of manufacturing facilities, Renewal of systems, Construction of new buildings
Springs Business	Chiba Works	Installation and renewal of manufacturing facilities
	MSSC CANADA INC.	Installation and renewal of manufacturing facilities
	MSM Philippines Mfg. Inc.	Installation of manufacturing facilities
Formed & Fabricated Products Business	Hirota Works	Installation of manufacturing facilities, Renewal of buildings
Machinery Business	Mitsubishi Nagasaki Machinery Mfg. Co., Ltd.	Installation and renewal of manufacturing facilities
Group-wide	Head Office	Renewal of systems

(7) Principal Places of Business and Status of Significant Subsidiaries and Business Combinations

(as of March 31, 2026)

(a) The Company

Name	Location
Domestic	
Head Office	Tokyo Metropolis
Chubu Branch Office	Aichi Prefecture
Nishi-Nihon Branch Office	Osaka Prefecture
Fukuoka Sales Office	Fukuoka Prefecture
Hiroshima Sales Office	Hiroshima Prefecture
Chiba Works, Research & Development Center	Chiba Prefecture
Hirota Works	Fukushima Prefecture

(b) Significant subsidiaries

Company name	Location	Capital stock	Investment ratio	Description of main business
Domestic				
Mitsubishi Steel Muroran Inc.	Hokkaido Prefecture	Million yen 3,000	70.0	Manufacturing of special steel bars and steel ingot
Mitsubishi Nagasaki Machinery Mfg. Co., Ltd.	Nagasaki Prefecture	Million yen 900	69.2	Manufacturing and sale of steel fabrication, industrial machinery, forging machinery and environmental recycling equipment
Ryokoh Express Co., Ltd.	Chiba Prefecture	Million yen 99	86.1	Domestic shipping, port transportation, consigned freight forwarding business, warehouses
North and Central America				
MSSC CANADA INC.	Canada	Thousands of Canadian dollars 109,000	100.0	Manufacturing and sale of springs for automobiles
MSSC US INC.	U.S.A.	US dollars 70,900,100	100.0	Manufacturing and sale of springs for automobiles
MSSC MFG MEXICANA, S.A. DE C.V.	Mexico	Thousands of Mexican pesos 525,178	100.0	Manufacturing and sale of springs for automobiles
China				
MSM NINGBO SPRING CO., LTD.	China	Thousands of US dollars 32,900	100.0	Manufacturing and sale of springs for automobiles and construction machinery
Southeast Asia				
PT. JATIM TAMAN STEEL MFG.	Indonesia	Millions of Indonesian rupiahs 2,209,387	75.0	Manufacturing and sale of special steel bars
MSM SPRING INDIA PVT. LTD.	India	Thousands of Indian rupees 869,000	97.7	Manufacturing and sale of springs for construction machinery and rail vehicles
MSM Philippines Mfg. Inc.	The Philippines	Thousands of Philippine pesos 24,000	100.0	Manufacturing and sale of precision springs and module products
MSM (THAILAND) CO., LTD.	Thailand	Thousands of Thai bahts 154,200	100.0	Manufacturing and sale of precision castings and precision forgings Sale of springs for automobiles (leaf spring)

(Notes)

- As of the end of the period under review, the Company's consolidated subsidiaries and associates accounted for under the equity method totaled 17 and 3, respectively.
- The Group has no specified wholly-owned subsidiary stipulated by Article 118 (iv) of the Ordinance for Enforcement of the Companies Act as of the end of the period under review.

(c) Status of significant business combinations, etc.

- a. Due to the capital increase on June 30, 2025, the capital of MSM SPRING INDIA PVT. LTD. was increased from 797,000 thousand Indian rupees to 869,000 thousand Indian rupees.
- b. Due to the capital increase on March 31, 2026, the capital of MSM NINGBO SPRING CO., LTD. was increased from 28,200 thousand US dollars to 32,900 thousand US dollars.
- c. At the meeting of the Company's Board of Directors held on March 30, 2026, it was resolved to transfer all shares of MSSC MFG MEXICANA, S.A. DE C.V. to a group company of Hwaway Technology Corporation Limited.

(8) Status of Employees (as of March 31, 2026)

a. Status of the Group's Employees

Segment	Number of employees (Persons)
Special Steel Bars Business	889
Springs Business	1,288
Formed & Fabricated Products Business	920
Machinery Business	482
Other Business	90
Group-wide (common)	195
Total	3,864

(Notes)

1. The number of employees of the Group increased by 23 persons compared to the end of the previous fiscal year.
2. The number of employees shown in "Group-wide (common)" refers to employees who cannot be categorized into any specific segment.

b. Status of the Company's Employees

Number of employees	Increase from end of previous period	Average age	Average number of years of service
695 persons	14 persons	43.3 years old	20.2 years

2. Matters concerning Shares (as of March 31, 2026)

- (1) **Total Number of Shares Authorized to be Issued:** 36,000,000 shares
(2) **Total Number of Shares Outstanding:** 15,709,968 shares
(3) **Number of Shareholders:** 17,976 persons
(4) **Major Shareholders:**

Name of shareholder	Number of shares held (thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	1,670	10.8
Mitsubishi Heavy Industries, Ltd.	1,000	6.5
Meiji Yasuda Life Insurance Company	715	4.6
Mitsubishi Steel Mfg. Kyoeikai	490	3.2
The Master Trust Bank of Japan, Ltd. (Board Incentive Plan (BIP) trust account 76119)	315	2.0
Tokio Marine & Nichido Fire Insurance Co., Ltd.	255	1.7
Interactive Brokers LLC	248	1.6
NIPPON STEEL CORPORATION	226	1.5
STATE STREET BANK AND TRUST COMPANY 505223	187	1.2
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	163	1.1

(Notes)

1. Number of shares held is rounded down to the nearest thousand shares.
2. The 273 thousand treasury shares are excluded from the calculation of the shareholding ratio above.
The 315,340 shares of the Company held by the BIP Trust are excluded from treasury shares.

3. Matters concerning Subscription Rights to Shares, etc. (as of March 31, 2026)

There are no subscription rights to shares, etc. issued at this point in time.

4. Matters concerning Officers

(1) Directors and Corporate Auditors (as of March 31, 2026)

Position	Name	Assignment and Significant Concurrent Positions
Chairman of the board	Motoyuki Sato	
Representative Director, President & CEO	Jun Yamaguchi	
Representative Director, Managing Executive Officer	Keisuke Aoike	Assistant to President CFO In charge of Sustainability
Director, Managing Executive Officer	Akira Yamao	General Manager, Sales Division In charge of Parts Sales Division Chairman of the Board, MSM (THAILAND) CO., LTD.
Director	Minako Takeuchi	Representative Director, TM Future Corporation Outside Director, The Shiga Bank, Ltd. Outside Director, Nihon M&A Center Holdings Inc.
Director	Atsushi Hagita	
Standing Corporate Auditor	Yoshitaka Mio	
Standing Corporate Auditor	Yoshimi Nakamori	
Corporate Auditor	Tetsuya Nakagawa	Sanno Law Office Registered Attorney at Law
Corporate Auditor	Yuka Matsuda	Matsuda Yuka CPA and Tax Accounting Office Outside Director, Dentsu Group Inc.

(Notes)

- On June 20, 2025, Akira Hishikawa retired from the position of Director upon expiration of his terms.
- On June 20, 2025, Hirokuni Sakamoto retired from the position of Corporate Auditor upon expiration of his terms.
- During the fiscal year ended March 31, 2026, there was change in responsibilities of Directors as follows:

Name	New	Old	Date of change
Keisuke Aoike	Assistant to President CFO In charge of Sustainability	Assistant to President (Overall administration) In charge of Sustainability	April 1, 2025

- Directors Minako Takeuchi and Atsushi Hagita are Outside Directors as defined in Article 2 (xv) of the Companies Act, and are notified by the Company as independent officers to the Tokyo Stock Exchange, Inc.
- Corporate Auditors Yoshitaka Mio, Tetsuya Nakagawa and Yuka Matsuda are Outside Corporate Auditors as defined in Article 2 (xvi) of the Companies Act, and are notified by the Company as independent officers to Tokyo Stock Exchange, Inc.
- Corporate Auditor Yuka Matsuda is a qualified Certified Public Accountant and Tax Accountant, and has considerable financial and accounting expertise.

(Reference)

As of April 1, 2026, the Executive Officers are as follows.

Position	Name	Scope of duties
President & CEO	Jun Yamaguchi	
Managing Executive Officer	Keisuke Aoike	Assistant to President CFO In charge of Sustainability In charge of Systems Department
Managing Executive Officer	Akira Yamao	General Manager, Sales Division In charge of Parts Sales Division
Managing Executive Officer	Junji Ogura	CTO General Manager, Research & Development Center In charge of Procurement Department
Senior Executive Officer	Junya Shibata	General Manager, Steel Bar Division President & Director, Mitsubishi Steel Muroran Inc.
Senior Executive Officer	Yasuhiro Adachi	General Manager, Spring Division
Senior Executive Officer	Kazumasa Tokuchi	Head of Corporate Planning Department Head of DX Promotion Office In charge of Quality Assurance and Carbon Neutral
Executive Officer	Takuya Kurauchi	Head of Public & Investor Relations Department Head of ESG Promotion Office Head of Risk Control Department
Executive Officer	Masahiro Murata	Head of Human Resources Department
Executive Officer	Hidekazu Fukasawa	General Manager, Formed & Fabricated Products Division
Executive Officer	Yasumasa Ohoka	General Manager, Steel Sales Department, Sales Division
Executive Officer	Toshiki Akahane	Head of General Affairs Department Head of Accounting Department President & Director, Ryokoh Service Co., Ltd.
Executive Officer	Shigeo Adachi	General Manager, Functional Parts Sales Department, Sales Division
Executive Officer	Takashi Numakawa	President, PT. JATIM TAMAN STEEL MFG. President, PT. MSM INDONESIA In charge of ASEAN Region

Note: Both Jun Yamaguchi, President & CEO, and Keisuke Aoike, Managing Executive Officer, are concurrently serving as Representative Director. Akira Yamao, Managing Executive Officer, is concurrently serving as Director.

(2) Matters concerning Outside Officers

- a. Relationship between the Company and entities where significant concurrent positions are held

Classification	Name of outside officers	Significant concurrent positions	Relationship between the Company and entities where concurrent positions are held
Directors	Minako Takeuchi	Representative Director, TM Future Corporation	There are no special interests.
		Outside Director, The Shiga Bank, Ltd.	There are no special interests.
		Outside Director, Nihon M&A Center Holdings Inc.	There are no special interests.
Corporate Auditors	Tetsuya Nakagawa	Sanno Law Office Registered Attorney at Law	There are no special interests.
	Yuka Matsuda	Representative, Matsuda Yuka CPA and Tax Accounting Office	There are no special interests.
		Outside Director, Dentsu Group Inc.	Although there are business transactions between the Company and DENTSU SPORTS ASIA PTE LTD, which is a subsidiary of Dentsu Group Inc., such transactions are miniscule in amount. There are no other special interests.

b. Status of main activities in the fiscal year under review

[Outside Directors]

Classification	Name of outside officers	Attendance at meetings of Board of Directors	Attendance at meetings of Nomination and Compensation Committee	Attendance at meetings of Outside Officer Council Meeting	Activity description and roles
Directors	Minako Takeuchi	14 out of 14 meetings	12 out of 12 meetings	4 out of 4 meetings	In the meetings of the Board of Directors, Nomination and Compensation Committee and Outside Officer Council Meeting, Ms. Takeuchi made statements about how to enhance corporate value, etc., from her extensive experience as a top manager of a human resource development consulting firm, as well as from the viewpoint of human resources and ESG.
	Atsushi Hagita	10 out of 10 meetings	9 out of 9 meetings	3 out of 3 meetings	In the meetings of the Board of Directors, Nomination and Compensation Committee and Outside Officer Council Meeting, Mr. Atsushi Hagita made statements about how to enhance corporate value, etc., from a technological viewpoint based on extensive experience gained through many years in the technology department at a leading heavy industry manufacturer.

[Outside Corporate Auditors]

Classification	Name of outside officers	Attendance at meetings of Board of Directors	Attendance at meetings of Board of Corporate Auditors	Attendance at meetings of Outside Officer Council Meeting	Activity description and roles
Corporate Auditors	Yoshitaka Mio	10 out of 10 meetings	10 out of 10 meetings	3 out of 3 meetings	Mr. Mio made useful statements at Board of Directors meetings and Board of Corporate Auditors meetings by drawing on knowledge nurtured through extensive experience at a financial institution. He executed his duties in accordance with an audit policy determined by the Board of Corporate Auditors and exercised audit function sufficiently.
	Tetsuya Nakagawa	14 out of 14 meetings	14 out of 14 meetings	4 out of 4 meetings	Mr. Nakagawa made useful statements at Board of Directors meetings and Board of Corporate Auditors meetings by drawing on knowledge nurtured through extensive experience as a lawyer. He executed his duties in accordance with an audit policy determined by the Board of Corporate Auditors and exercised audit function sufficiently.
	Yuka Matsuda	14 out of 14 meetings	14 out of 14 meetings	4 out of 4 meetings	Ms. Matsuda made useful statements at Board of Directors meetings and Board of Corporate Auditors meetings by drawing on knowledge nurtured through extensive experience as a certified public accountant and tax accountant. She executed her duties in accordance with an audit policy determined by the Board of Corporate Auditors and exercised audit function sufficiently.

(Notes)

1. Director Atsushi Hagita assumed office on June 20, 2025 (the 101st Ordinary General Meeting of Shareholders), and accordingly the number of meetings of the Board of Directors, Nomination and Compensation Committee, and the Outside Officer Council Meeting that he was subject to attend differs from that of other officers.
2. Corporate Auditor Yoshitaka Mio assumed office on June 20, 2025 (the 101st Ordinary General Meeting of Shareholders), and accordingly the number of meetings of the Board of Directors, the Board of Corporate Auditors, and the Outside Officer Council Meeting that he was subject to attend differs from that of other officers.

(3) Overview of Limited Liability Agreement

The Company has concluded an agreement with each Outside Director and Corporate Auditor to limit his or her liability for damages referred to in Article 423 (1) of the Companies Act pursuant to the provision of Article 427 (1) of said Act. The maximum amount of liability for damages prescribed in such agreement is the sum of the amounts stipulated in the items of Article 425 of said Act.

(4) Outline of the Provisions of Director Liability Insurance Contract

The Company entered into a director liability insurance contract with an insurance company in which Directors, Corporate Auditors, Executive Officers and managerial employees of the Company and subsidiaries of it are insured parties. Insurance expenses are all borne by the Company. The insurance contract covers any damage liability and litigation expenses incurred by an insured party due to a damage compensation claim resulting from an act committed by him or her in his or her capacity as company executive (including negligence).

(5) Total Amount of Compensation, etc. of Directors and Corporate Auditors

Classification	Total amount of compensation, etc. (million yen)	Total remunerations by category (million yen)			Number of Directors and Corporate Auditors (person)
		Fixed remuneration	Performance-linked remuneration		
		Monetary remuneration		Non-monetary remuneration	
		Base remuneration	Bonus	Stock compensation	
Directors (Outside Directors (included above))	265 (21)	181 (21)	44 (-)	40 (-)	7 (3)
Corporate Auditors (Outside Auditors (included above))	57 (37)	57 (37)	-	-	5 (4)

(Notes)

1. The above amount of compensation includes the amount paid to one Director and one Corporate Auditor who have retired at the close of the 101st Ordinary General Meeting of Shareholders held on June 20, 2025.
2. For the fiscal year under review, we recorded ¥40 million in provision for directors' share benefits under the performance-linked stock compensation plan for Directors approved by the 100th Ordinary General Meeting of Shareholders held on June 21, 2024, as a result of an expense recalculation made in light of the most recent business performance.
3. There are four Directors who are eligible to receive the bonus.

A. Matters on performance-linked remuneration and non-monetary remuneration

Performance-linked remuneration from the Company comprises bonus and stock compensation and the latter comes in the form of non-monetary remuneration.

(A) Performance-linked bonus

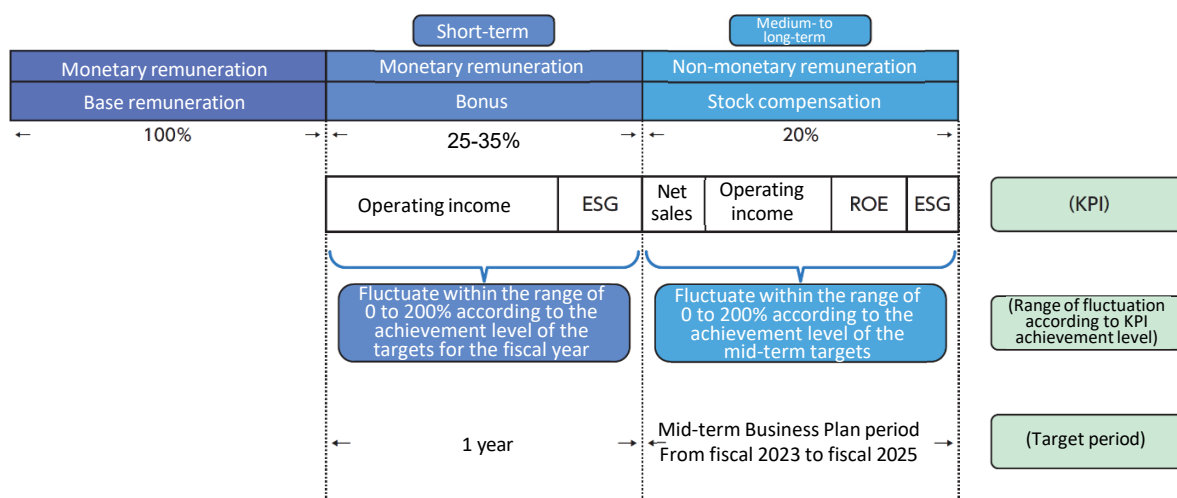
The Company adopted a bonus scheme in which a single year consolidated operating income and ESG indicators (E: CO₂ emission, S: Number of industrial accidents, G: Evaluations on the effectiveness of the Board of Directors) are used as performance indicators, and pays this type of bonus to Directors (excluding Outside Directors) annually. Operating income was chosen as a performance indicator in order to motivate personnel into enhancing fiscal year profits steadily, and ESG indicators (E: CO₂ emission, S: Number of industrial accidents, G: Evaluations on the effectiveness of the Board of Directors) were selected to improve the willingness to achieve non-financial indicators. As for how to compute performance-linked

bonuses, a bonus payment amount is determined in accordance with a bonus payment rate reflecting an achievement rate for the year's performance indicator and non-financial indicators, and its improvement from the previous year, which provides a stronger incentive. The Company's consolidated operating income for fiscal 2025 was 4.8 billion yen in terms of actual results. The ESG indicators were mostly according to plan.

(B) Performance-linked stock compensation (non-monetary remuneration)

The Company adopted a scheme called Board Incentive Plan (BIP) trust with the objective of more strongly incentivizing personnel into enhancing financial results and corporate value in the medium- to long-term. As performance indicators, we use the achievement rates for consolidated net sales, consolidated operating income, and consolidated ROE, and as non-financial indicator, ESG indicators (E: CO₂ emission, S: Engagement survey, G: Evaluations on the effectiveness of the Board of Directors) against the Mid-term Business Plan targets for them. This is in the belief that expanding business size and enhancing profitability and capital efficiency will help raise the Company's corporate value in the medium- to long-term. As the targets for the Mid-term Business Plan from fiscal 2023 to fiscal 2025, we had set out consolidated net sales of 185,000 million yen, consolidated operating income of 11,000 million yen, and ROE of 8%, but the actual results were 154,600 million yen, 4,800 million yen, and 6.7%, respectively. The ESG indicators were mostly according to plan. When the Mid-term Business Plan ends or a director resigns, the Company will grant to him or her shares equivalent in value to 50% of points determined by multiplying a performance-linked coefficient that varies from 0% to 200% depending on an achievement rate for each performance indicator by a number of points to be granted annually according to his or her title. The rest will be paid in an amount equivalent to proceeds from a conversion of shares into cash.

Remuneration system



B. Matters on resolution by general meeting of shareholders on remuneration for Directors and Corporate Auditors

The 92nd Ordinary General Meeting of Shareholders held on June 17, 2016, resolved to set monetary remuneration for Directors at not more than ¥400 million (including not more than ¥50 million for Outside Directors) a year. The director remuneration did not include employee-portion remuneration for Directors serving concurrently as employees. The number of Directors at the conclusion of the Ordinary General Meeting of Shareholders was eight (including two Outside Directors).

The 100th Ordinary General Meeting of Shareholders held on June 21, 2024, resolved to set the maximum of a performance-linked stock compensation to be paid by the Company to Directors (excluding Outside Directors), Executive Officers in delegation contract with the Company, and Executive Officers under employment contract for a target period (three years) at ¥750 million (¥250 million per fiscal year), separately from the monetary remuneration mentioned above, and to pay the compensation. The number of Directors (excluding Outside Directors) and Executive Officers who do not concurrently serve as Director at the conclusion of the Ordinary General Meeting of Shareholders was four and 12, respectively. The 92nd Ordinary General Meeting of Shareholders held on June 17, 2016 resolved to set monetary remuneration for Corporate Auditors of the Company at not more than ¥100 million a year. The number of Corporate Auditors at the conclusion of the Ordinary General Meeting of Shareholders was four.

C. Decision-making policy on remunerations for individual Directors

(A) How to determine decision-making policy on remunerations for individual Directors

A Board of Directors meeting held on February 27, 2025 resolved a decision-making policy on remunerations for individual Directors.

(B) Outline of decision-making policy

The Board of Directors will determine a policy on deciding the values of remunerations for Directors. The amount of remuneration, etc., for Directors, excluding Outside Directors, consists of base remuneration (fixed) commensurate with title, performance-linked bonus, and performance-linked stock compensation. When the performance target is achieved (100%), performance-linked remuneration is paid at the rate of 45 to 55 (bonus of 25 to 35, and performance-linked stock remuneration of 20) to basic remuneration of 100, and we are providing bonuses by reflecting the degree of performance improvement. Outside Directors are in office in order for the Company to reflect their advice, which is based on extensive knowledge and experience, in its business management, and the Company pays them base remuneration (fixed) only in consideration of their roles and duties.

Authority regarding the specifics of remunerations for individual Directors should be delegated to the Representative Director and President & CEO. In order for such authority to be exercised properly by the Representative Director and President & CEO, the Board of Directors consults the Nomination and Compensation Committee, which is chaired by an Outside Director and receives recommendations from the committee.

(C) Reason remunerations for individual Directors for the fiscal year under review were judged to be consistent with the decision-making policy.

In deciding remunerations for individual Directors, the Nomination and Compensation Committee considers the draft from many angles and the Board of Directors respects recommendations from the committee, so we judged the remunerations to be consistent with the decision-making policy mentioned above.

D. Matters on delegation of decision-making for remuneration for Directors

It is intended that Jun Yamaguchi, Representative Director and President & CEO, will be delegated the responsibility of deciding the specifics of remuneration (excluding Performance-linked stock compensation (BIP Trust)) for individual Directors. This is because the Representative Director and President & CEO is the most suitable to evaluate Directors on their responsibilities. In order for authority to be exercised properly by the Representative Director and President & CEO, the Board of Directors consults the Nomination and Compensation Committee composed of Chairman of the board and Outside Directors and receives recommendations from the committee.

5. Matters concerning Accounting Auditor

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC (as of March 31, 2026)

(2) Amount of Fees, etc. of Accounting Auditor

Classification	The fiscal year under review
	Fee for audit certification service (in millions of yen)
The Company	71
Total amount of money payable by the Company and its subsidiaries	94

(Notes)

1. The audit agreement between the Company and the Accounting Auditor does not separately show the amounts of the fee for an audit under the Companies Act and the fee for an audit under the Financial Instruments and Exchange Act. Therefore, the amount of the stated fee for audit certification service for the Company is a combined total amount of the fees.
2. The Board of Corporate Auditors comprehensively considered the contents of the audit program of the Accounting Auditor, the status of execution of duties in accounting audit, the adequacy of the basis of calculation of estimated remuneration and the possibility of providing future appropriate audit services to approve the amount of remuneration for the Accounting Auditor.
3. Among the Company's significant subsidiaries, overseas subsidiaries are audited by an audit corporation other than the Company's Accounting Auditor.

(3) Description of Non-Audit Services

Not applicable

(4) Policy for Determination of Dismissal or Non-reappointment of Accounting Auditor

If the Accounting Auditor is deemed to fall under any of the items of Article 340 (1) of the Companies Act, the Board of Corporate Auditors will dismiss the Accounting Auditor based on the consent of all Corporate Auditors. If the Accounting Auditor is deemed to have any difficulties in performing its duties properly, or if it is otherwise deemed necessary, the Board of Corporate Auditors will decide to dismiss or not to reappoint the Accounting Auditor.

(Note)

Unless mentioned otherwise, amounts stated in this Business Report are rounded off to the nearest hundred million yen when indicated in the unit of hundred million yen, and rounded down to the nearest million yen when indicated in the unit of million yen.

For percentages, the second decimal place is rounded off for presentation.

Consolidated Financial Statements

Consolidated Balance Sheet

(as of March 31, 2026)

(Million yen)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	82,218	Current liabilities	47,525
Cash and deposits	17,145	Accounts payable - trade	15,198
Notes and accounts receivable - trade, and contract assets	28,734	Electronically recorded obligations	2,730
Electronically recorded monetary claims	2,903	Contract liabilities	1,305
Merchandise and finished goods	10,074	Short-term loans payable	21,367
Work in process	7,361	Lease obligations	107
Raw materials and supplies	10,912	Income taxes payable	431
Other	5,147	Accrued consumption taxes	60
Allowance for doubtful accounts	(61)	Other	6,324
Non-current assets	59,299	Non-current liabilities	37,471
Property, plant and equipment	38,085	Long-term loans payable	22,037
Buildings and structures	8,186	Lease obligations	1,886
Machinery, equipment and vehicles	10,354	Long-term income taxes payable	78
Land	15,172	Deferred tax liabilities	3,659
Leased assets	1,635	Net defined benefit liability	9,095
Construction in progress	2,102	Provision for directors' retirement benefits	156
Other	634	Provision for directors' share benefits	59
Intangible assets	569	Provision for loss on business liquidation	366
Software	455	Other	131
Other	113	Total liabilities	84,997
Investments and other assets	20,643	Net assets	
Investment securities	6,787	Shareholders' equity	46,243
Long-term loans receivable	29	Capital stock	10,003
Distressed receivables	4,998	Capital surplus	2,222
Net defined benefit asset	11,068	Retained earnings	35,635
Deferred tax assets	358	Treasury shares	(1,619)
Other	1,162	Accumulated other comprehensive income	2,439
Allowance for doubtful accounts	(3,761)	Valuation difference on available-for-sale securities	1,415
		Foreign currency translation adjustment	(3,621)
		Remeasurements of defined benefit plans	4,645
		Non-controlling interests	7,837
		Total net assets	56,520
Total assets	141,517	Total liabilities and net assets	141,517

(Note) Amounts shown are rounded down to the nearest million yen.

Consolidated Statement of Income

[from April 1, 2025 to March 31, 2026]

(Million yen)

Account	Amount	
Net sales		154,557
Cost of sales		133,729
Gross profit		20,828
Selling, general and administrative expenses		16,039
Operating income		4,788
Non-operating income		
Interest and dividend income	130	
Foreign exchange gains	241	
Dividend income of life insurance	94	
Share of profit of entities accounted for using equity method	20	
Other	450	938
Non-operating expenses		
Interest expenses	1,263	
Other	446	1,709
Ordinary profit		4,017
Extraordinary income		
Gain on sales of investment securities	58	
Gain on disposal of non-current assets	767	
Subsidy income	379	1,205
Extraordinary losses		
Loss on tax purpose reduction entry of non-current assets	366	
Provision for loss on business liquidation	1	
Loss on accident	900	1,268
Profit before income tax		3,954
Income taxes - current	935	
Income taxes - deferred	(612)	323
Profit		3,630
Profit attributable to non-controlling interests		575
Profit attributable to owners of parent		3,055

(Note) Amounts shown are rounded down to the nearest million yen.

Non-consolidated Financial Statements

Balance Sheet

(as of March 31, 2026)

(Million yen)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	38,775	Current liabilities	26,500
Cash and deposits	7,277	Electronically recorded obligations	1,274
Notes receivable - trade	19	Accounts payable - trade	8,880
Electronically recorded monetary claims	2,349	Short-term loans payable	13,831
Accounts receivable - trade	12,500	Accounts payable - other	742
Merchandise and finished goods	5,083	Accrued expenses	1,633
Work in process	1,099	Contract liabilities	29
Raw materials and supplies	581	Provision for directors' share benefits	59
Prepaid expenses	178	Other	50
Short-term loans receivable	5,735		
Accounts receivable - other	3,938	Non-current liabilities	22,806
Other	56	Long-term loans payable	20,718
Allowance for doubtful accounts	(44)	Provision for retirement benefits	1,675
		Provision for loss on business liquidation	301
Non-current assets	38,437	Long-term income taxes payable	78
Property, plant and equipment	7,263	Other	32
Buildings	2,541	Total liabilities	49,306
Structures	233		
Machinery and equipment	1,916	Net assets	
Vehicles	34	Shareholders' equity	26,648
Tools, furniture and fixtures	149	Capital stock	10,003
Land	1,349	Capital surplus	3,684
Construction in progress	1,039	Legal capital surplus	3,684
Intangible assets	341	Retained earnings	14,579
Software	280	Legal retained earnings	809
Other	60	Other retained earnings	13,769
Investments and other assets	30,833	Reserve for advanced depreciation of non-current assets	442
Investment securities	2,213	General reserve	8,855
Shares of subsidiaries and associates	20,215	Retained earnings brought forward	4,471
Investments in capital	186	Treasury shares	(1,619)
Investments in capital of subsidiaries and associates	2,737	Valuation and translation adjustments	1,258
Long-term loans receivable	1,651	Valuation difference on available-for-sale securities	1,258
Distressed receivables	4,998		
Deferred tax assets	120	Total net assets	27,906
Prepaid pension cost	2,590	Total liabilities and net assets	77,213
Other	173		
Allowance for doubtful accounts	(4,055)		
Total assets	77,213		

(Note) Amounts shown are rounded down to the nearest million yen.

Non-consolidated Statement of Income

[from April 1, 2025 to March 31, 2026]

(Million yen)

Account	Amount	
Net sales		77,650
Cost of sales		67,942
Gross profit		9,708
Selling, general and administrative expenses		10,010
Operating loss		(302)
Non-operating income		
Interest and dividend income	1,786	
Foreign exchange gains	406	
Other	137	2,330
Non-operating expenses		
Interest expenses	557	
Provision of allowance for doubtful accounts for subsidiaries and associates	43	
Other	105	706
Ordinary profit		1,321
Extraordinary income		
Gain on sales of investment securities	58	58
Profit before income tax		1,380
Income taxes - current	334	
Income taxes - deferred	(615)	(280)
Profit		1,661

(Note) Amounts shown are rounded down to the nearest million yen.