Summary of Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2027 [Japanese GAAP] (Consolidated)

August 6, 2026
Shares listed on: Tokyo Stock Exchange

Name of listed company:	MITSUBISHI STEEL MFG. CO., LTD.
Code No.:	5632 URL: https://www.mitsubishisteel.co.jp/
Representative:	Jun Yamaguchi, Representative Director and President/Executive Officer
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Scheduled start date of dividend payments:	—
Supplementary briefing materials on results available:	Yes
Briefing on results held:	None

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

1. Financial results for the first quarter of the fiscal year ending March 31, 2027 (April 1, 2026– June 30, 2026)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of the fiscal year ending March 31, 2027	40,567	6.4	1,400	76.3	1,253	512.4	730	—
First quarter of the fiscal year ended March 31, 2026	38,113	(6.1)	793	(41.0)	204	(83.5)	(115)	—

Note: Comprehensive income: First quarter of the fiscal year ending March 31, 2027: 887 million yen (--%); First quarter of the fiscal year ended March 31, 2026: (927) million yen (--%)

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter of the fiscal year ending March 31, 2027	48.29	—
First quarter of the fiscal year ended March 31, 2026	(7.61)	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
First quarter of the fiscal year ending March 31, 2027	141,383	56,761	34.5
Fiscal year ended March 31, 2026	141,517	56,520	34.4

Reference: Shareholders' equity: First quarter of the fiscal year ending March 31, 2027: 48,757 million yen; Fiscal year ended March 31, 2026: 48,682 million yen

2. Dividends

	Annual dividends per share				
	End Q1	End Q2	End Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	—	40.00	—	41.00	81.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (forecast)		52.00	—	52.00	104.00

Note: Revisions of projected dividends announced most recently: None

3. Forecast of consolidated financial results for fiscal year ending March 31, 2027 (April 1, 2026 – March 31, 2027)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter (cumulative)	80,500	0.7	2,800	32.0	2,200	55.5	1,200	78.0	79.36
Full year	166,000	7.4	6,400	33.6	5,100	26.9	3,100	1.5	205.01

Note: Revisions of forecasts of consolidated financial results announced most recently: Yes
Please refer to "Notice Regarding Revision of Financial Results Forecasts for the First Half of the Fiscal Year Ending March 31, 2027" released today (August 6, 2026)

Notes

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

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

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

(4) Number of shares outstanding (common shares)

① Number of shares outstanding at the end of the period (including treasury stock)	1Q of fiscal year ending March 31, 2027	15,709,968 shares	Fiscal year ended March 31, 2026	15,709,968 shares
② Number of treasury shares at the end of the period	1Q of fiscal year ending March 31, 2027	588,863 shares	Fiscal year ended March 31, 2026	588,814 shares
③ Average number of shares during the period (cumulative through the period under review)	1Q of fiscal year ending March 31, 2027	15,121,137 shares	1Q of fiscal year ended March 31, 2026	15,120,492 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None
* Explanation of the proper use of financial results forecast and other notes.
The forecasts of financial results were prepared based on information available at this time. Actual results may differ from forecasts depending on various future factors.
For detailed information on financial forecasts, refer to "1. Qualitative Information on Quarterly Financial Results: (3) Explanation of Forward-looking Statements Including Forecasts of Consolidated Financial Results" on page 5 of the Attached Materials.

○ Table of Contents for Attached Materials

1. Qualitative Information on Quarterly Financial Statements

(1) Description of Operating Results

During the first quarter of the consolidated fiscal year under review (April through June 2026), supply chain disruptions attributable to the conflict between the US and Iran added to existing risks posed by US trade policy developments and overall Middle East tensions, adding to global economy uncertainty. Despite signs of a gentle economic recovery in Japan, prospects remain uncertain due to labor shortages and rising crude oil prices.

Amid this uncertainty, in the construction machinery industry, in which demand had been weak, demand trends for Group products moved toward a recovery, centered on exports driven by growing overseas demand. In the auto industry, while circumstances in the Middle East resulted in lower exports to Persian Gulf states, demand remained strong for hybrid vehicles for the US market and for commercial vehicles globally. Backed by government policies, demand trends were positive in the growth fields on which the Group is focusing, including security and energy-related products.

Under these conditions, the Group posted consolidated net sales of 40,567 million yen in the first quarter of the consolidated fiscal year under review, up 2,454 million yen (6.4%) year on year, driven in part by growth in the Springs Business, for which sales volumes increased in North America and Japan, among other markets, and in the machinery business, for which orders were strong. Consolidated operating income was 1,400 million yen, up 606 million yen (76.3%) year on year, driven by profit contributions from the overseas steel bars business, machinery business, and other strategic businesses.

Ordinary income was 1,253 million yen, up 1,049 million yen (512.4%) year on year as non-operating income improved, with the recording of foreign exchange gains. Net income attributable to owners of the parent company was 730 million yen, up 845 million yen year on year (from a net loss attributable to owners of the parent company of 115 million yen in the same quarter of the previous year) due to higher ordinary income.

Results by business segment are reviewed below.

The Special Steel Bars Business posted net sales of 17,642 million yen, down 1,014 million yen (5.4%) year on year. Despite rising sales volumes at the overseas business in Indonesia, domestic sales volumes fell, as certain effects of last year's furnace issues and fire at the Muroran Works lingered on into the first quarter. As a result, overall sales for the Special Steel Bars Business decreased. Segment operating income was up 110 million yen year on year to 107 million yen (from an operating loss of 3 million yen in the same quarter of the previous year). While earnings were down in the domestic business (due to the impact of the furnace issues and fire), earnings increased for the Special Steel Bars Business overall due to higher volumes and improved selling prices and costs at the overseas business in Indonesia.

Since normal operations resumed in late May, the impact of the blast furnace issue and fire accident has dissipated.

The Springs Business posted net sales of 19,364 million yen, up 1,652 million yen (9.3%) year on year. In addition to foreign exchange effects and higher sales volumes at the North American subsidiary, factors such as higher sales volumes for leaf springs in Japan and the start of mass production for new automotive spring products boosted sales. Operating income was down 59 million yen (7.2%) year on year to 757 million yen. Despite greater sales volumes attributable in part to the start of mass production for new products, income fell for various reasons, including temporarily lower productivity at the North American subsidiary and higher costs associated with restrictions on imports of Canadian materials and the situation in the Middle East.

The Formed & Fabricated Products Business posted net sales of 2,631 million yen, up 609 million yen (30.2%) year on year. Sales grew due to progress in passing on higher alloy raw material prices to the selling prices of special alloy powders, which had been delayed, and higher sales volumes for precision castings and other products. Operating income rose 91 million yen (152.8%) year on year to 150 million yen. Contributing factors included higher sales volumes and improvements in selling prices for precision castings.

The Machinery Business posted net sales of 2,823 million yen, up 1,028 million yen (57.3%) year on year, due to higher sales of products such as defense equipment and products for gas turbines, supported by strong orders received in security, energy, and other fields, and higher sales of process equipment for overseas chemical plants, forging machinery, and other products. Operating income grew by 482 million yen year on year to 337 million yen (from an operating loss of 144 million yen in the same quarter of the previous year) as net sales increased and productivity for various products improved.

Other businesses, including the distribution and service businesses, posted net sales of 1,039 million yen, up 79 million yen (8.3%) year on year, and operating income of 42 million yen, down 6 million yen (13.1%) year on year.

(2) Description of Financial Position

Total assets at the end of the first quarter of the consolidated fiscal year under review stood at 141,383 million yen, down 134 million yen from the end of the previous consolidated fiscal year. This was due mainly to a decrease in cash and deposits from payments for operating capital.

Total liabilities at the end of the first quarter of the consolidated fiscal year under review stood at 84,621 million yen, down 375 million yen from the end of the previous consolidated fiscal year. This was due mainly to a decrease in liabilities resulting from payments for trade payables.

Net assets at the end of the first quarter of the consolidated fiscal year under review stood at 56,761 million yen, up 241 million yen from the end of the previous consolidated fiscal year. The increase is due mainly to the recording of net income attributable to owners of the parent company. However, retained earnings were lower, mainly due to dividend payments.

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

We have revised our forecasts of financial results for the first half of the fiscal year ending March 2027 from the forecasts announced before on May 13, 2026. For more information, see “Notice Regarding Revision of Financial Results Forecasts for the First Half of the Fiscal Year Ending March 31, 2027” also released on the same date as this document.
On the other hand, financial results forecasts for the fiscal year ending March 2027 remain unchanged in light of the ongoing uncertain business environment, including the situation in the Middle East.
Forecasts of financial results are based on information available as of the time of their announcement. Actual results may differ from forecasts due to various factors.

2. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheet

(Unit: millions of yen)

	Consolidated fiscal year ended (March 31, 2026)	Consolidated first quarter (June 30, 2026)
Assets		
Current assets		
Cash and deposits	17,145	13,054
Notes and accounts receivable-trade and contract assets	28,734	30,562
Electronically recorded monetary claims	2,903	3,552
Merchandise and finished goods	10,074	10,326
Work in process	7,361	7,595
Raw materials and supplies	10,912	10,511
Other	5,147	6,042
Allowance for doubtful accounts	(61)	(61)
Total current assets	82,218	81,585
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	8,186	8,117
Machinery, equipment and vehicles, net	10,354	10,020
Land	15,172	15,176
Leased assets, net	1,635	1,604
Other, net	2,737	3,472
Total property, plant and equipment	38,085	38,391
Intangible fixed assets		
Other	569	719
Total intangible fixed assets	569	719
Investments and other assets		
Investment securities	6,787	6,917
Distressed receivables	4,998	5,051
Net defined benefit assets	11,068	11,080
Other	1,551	1,437
Allowance for doubtful accounts	(3,761)	(3,801)
Total investments and other assets	20,643	20,686
Total fixed assets	59,299	59,798
Total assets	141,517	141,383

(Unit: millions of yen)

	Consolidated fiscal year ended (March 31, 2026)	Consolidated first quarter (June 30, 2026)
Liabilities		
Current liabilities		
Accounts payable-trade	15,198	14,372
Electronically recorded monetary obligations	2,730	3,232
Short-term loans payable	21,367	21,760
Income taxes payable	431	276
Accrued consumption taxes	60	274
Contract liabilities	1,305	1,244
Other	6,431	6,072
Total current liabilities	47,525	47,233
Non-current liabilities		
Long-term loans payable	22,037	21,943
Provision for directors' retirement benefits	156	128
Provision for directors' stock benefits	59	16
Provision for loss on business liquidation	366	370
Retirement benefit liability	9,095	9,087
Lease liabilities	1,886	1,849
Long-term income taxes payable	78	78
Other	3,790	3,913
Total non-current liabilities	37,471	37,388
Total liabilities	84,997	84,621
Net assets		
Shareholders' equity		
Capital stock	10,003	10,003
Capital surplus	2,222	2,222
Retained earnings	35,635	35,733
Treasury stock	(1,619)	(1,619)
Total shareholders' equity	46,243	46,340
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,415	1,498
Foreign currency translation adjustments	(3,621)	(3,634)
Accumulated remeasurements of defined benefit plans	4,645	4,553
Total accumulated other comprehensive income	2,439	2,417
Non-controlling interests	7,837	8,004
Total net assets	56,520	56,761
Total liabilities and net assets	141,517	141,383

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

Consolidated statement of income

Cumulative period through the first quarter of the consolidated fiscal year ending March 2027

(Unit: millions of yen)

	Cumulative period through the first quarter of the consolidated fiscal year ended March 2026 (April 1, 2025 – June 30, 2025)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2027 (April 1, 2026 – June 30, 2026)
Net sales	38,113	40,567
Cost of sales	33,053	35,043
Gross profit	5,059	5,524
Selling, general and administrative expenses	4,265	4,124
Operating income	793	1,400
Non-operating income		
Interest income	22	12
Dividend income	29	35
Investment gain on equity method	9	18
Foreign exchange gains	—	161
Other	158	75
Total non-operating income	220	302
Non-operating expenses		
Interest expenses	316	290
Foreign exchange losses	385	—
Other	107	158
Total non-operating expenses	809	449
Ordinary income	204	1,253
Extraordinary income		
Gain on sale of investment securities	57	—
Total extraordinary income	57	—
Net income before income taxes and other adjustments	262	1,253
Income taxes-current	76	210
Income taxes-deferred	316	121
Total income taxes	393	332
Profit	(131)	921
Profit attributable to non-controlling interests	(16)	190
Net income attributable to owners of parent	(115)	730

Consolidated statement of comprehensive income

Cumulative period through the first quarter of the consolidated fiscal year ending March 2027

(Unit: millions of yen)

	Cumulative period through the first quarter of the consolidated fiscal year ended March 2026 (April 1, 2025 – June 30, 2025)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2027 (April 1, 2026 – June 30, 2026)
Profit	(131)	921
Other comprehensive income		
Valuation difference on available-for-sale securities	107	79
Foreign currency translation adjustments	(809)	(15)
Remeasurements of defined benefit plans	(83)	(100)
Share of other comprehensive income of entities accounted for using equity method	(10)	3
Total other comprehensive income	(795)	(33)
Comprehensive income	(927)	887
(Breakdown)		
Comprehensive income attributable to owners of parent	(733)	707
Comprehensive income attributable to non-controlling interests	(193)	179

(3) Notes on Consolidated Financial Statements

(Notes on the Going Concern Assumption)

Not applicable

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

Not applicable

(Changes to Accounting Policies)

Not applicable

(Segment Information, etc.)

(Segment information)

I. Consolidated fiscal year ended March 31, 2026 (April 1, 2025 – June 30, 2025)

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

(Unit: millions of yen)

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

Notes:

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

II Consolidated fiscal year ending March 31, 2027 (April 1, 2026 – June 30, 2026)

1.Net sales, income by reporting segment

(Unit: millions of yen)

	Reporting segment				Other	Total	Adjustments	Amount on consolidated statement of income (Note 3)
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery	(Note 1)		(Note 2)	
Net sales								
Sales to external customers	15,388	19,364	2,555	2,749	509	40,567	–	40,567
Inter-segment sales or transfers	2,253	0	75	73	530	2,933	(2,933)	–
Total	17,642	19,364	2,631	2,823	1,039	43,501	(2,933)	40,567
Segment income	107	757	150	337	42	1,396	4	1,400

Notes:

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

(Notes on the quarterly consolidated cash flow statement)

There is no quarterly consolidated statement of cash flows for the three months ended June 30, 2026. Depreciation for the three months ended June 30, 2026, is as follows:

(Millions of yen)

	Cumulative period through the first quarter of the consolidated fiscal year ended March 2026 (April 1, 2025 – June 30, 2025)	Cumulative period through the first quarter of the consolidated fiscal year ending March 2027 (April 1, 2026 – June 30, 2026)
Depreciation	894	817

(Revenue Recognition)

Breakdown of revenues arising from contracts with customers

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

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

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

Consolidated fiscal year ending March 31, 2027(April 1, 2026 – June 30, 2026) (Unit: millions of yen)

	Reporting segment				Other	Total
	Special Steel Bars	Springs	Formed & Fabricated Products	Machinery	(Note)	
Net sales						
Japan	12,391	6,462	1,131	2,064	509	22,560
North America	81	8,689	158	—	—	8,929
Asia	2,915	4,161	935	475	—	8,487
Europe	—	40	330	209	—	580
Other	—	10	—	—	—	10
Revenues arising from contracts with customers	15,388	19,364	2,555	2,749	509	40,567
Net sales to external customers	15,388	19,364	2,555	2,749	509	40,567

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

Appendix (Consolidated)

(Unit: millions of yen)

1. Financial results

	Cumulative period				Full year		
	Fiscal year ended March 31, 2026 (April 2025 – June 2025)	Fiscal year ending March 31, 2027 (April 2026 – June 2026)	Year-on-year change		Results for fiscal year ended March 2026	Forecast for fiscal year ending March 2027*	
				Changes (%)		Forecast for fiscal year ending March 2027	Changes (%)
Net sales	38,113	40,567	2,454	6.4	154,557	166,000	7.4
Operating income	793	1,400	606	76.3	4,788	6,400	33.6
Ordinary income (loss)	204	1,253	1,049	512.4	4,017	5,100	26.9
Net income (loss) attributable to owners of parent	(115)	730	845	—	3,055	3,100	1.5
Net income (loss) per share	(7.61)	48.29			202.04	205.01	

* Announced on May 13, 2026

2. Quarterly results

	Fiscal year ended March 2026				Fiscal year ending March 2027
	Q1 (April - June)	Q2 (July - Sept.)	Q3 (Oct. - Dec.)	Q4 (Jan. - March)	Q1 (April - June)
Net sales	38,113	41,814	36,526	38,104	40,567
Operating income (loss)	793	1,327	819	1,848	1,400
Ordinary income (loss)	204	1,210	890	1,712	1,253
Net income (loss) attributable to owners of parent	(115)	789	326	2,054	730

3. Net sales by segment

	Fiscal year ended March 2026				Fiscal year ending March 2027
	Q1 (April - June)	Q2 (July - Sept.)	Q3 (Oct. - Dec.)	Q4 (Jan. - March)	Q1 (April - June)
Special Steel Bars	18,656	19,050	12,409	14,790	17,642
Springs	17,712	18,422	20,863	19,204	19,364
Formed & Fabricated Products	2,021	2,430	2,501	2,880	2,631
Machinery	1,794	3,653	2,591	3,731	2,823
Other	960	967	859	925	1,039
Adjustments	(3,032)	(2,709)	(2,698)	(3,428)	(2,933)
Total	38,113	41,814	36,526	38,104	40,567

4. Summary of Consolidated Balance Sheet

Account	March 31, 2026	June 30, 2026	Changes	Account	March 31, 2026	June 30, 2026	Changes
Current assets	82,218	81,585	(633)	Liabilities	84,997	84,621	(375)
Cash and deposits	17,145	13,054	(4,091)	Notes and accounts payable-trade	17,928	17,604	(324)
Notes and accounts receivable-trade	31,638	34,115	2,476	Interest-bearing debt	43,405	43,704	299
Inventories	28,348	28,434	85	Other	23,663	23,312	(351)
Other	5,085	5,981	895				
Fixed assets	59,299	59,798	498	Net assets	56,520	56,761	241
Property, plant and equipment	38,085	38,391	305	Shareholders' equity	46,243	46,340	97
Intangible fixed assets	569	719	150	Accumulated other comprehensive income	2,439	2,417	(22)
Investments and other assets	20,643	20,686	42	Non-controlling interests	7,837	8,004	166
Total assets	141,517	141,383	(134)	Total liabilities and net assets	141,517	141,383	(134)