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April 30, 2026

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



Company name: YAMATO KOGYO CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 5444

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Scheduled date of annual general meeting of shareholders: June 26, 2026

Scheduled date to commence dividend payments: June 29, 2026

Scheduled date to file annual securities report: June 25, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	160,389	(4.7)	4,495	(60.9)	65,235	19.9	62,389	96.0
March 31, 2025	168,268	2.9	11,493	(33.5)	54,402	(45.2)	31,833	(54.5)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 35,215 million [(55.4) %]
For the fiscal year ended March 31, 2025: ¥ 78,966 million [(25.3) %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	1,024.60	-	11.4	10.1	2.8
March 31, 2025	502.51	-	5.9	8.6	6.8

Reference: Equity in earnings (losses) of affiliates

For the fiscal year ended March 31, 2026: ¥ 47,490 million

For the fiscal year ended March 31, 2025: ¥ 27,773 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	633,540	581,417	85.5	9,066.50
March 31, 2025	657,481	602,940	84.8	8,946.06

Reference: Equity

As of March 31, 2026: ¥ 541,745 million

As of March 31, 2025: ¥ 557,572 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2026	52,035	(40,875)	(57,776)	75,458
March 31, 2025	71,028	(85,679)	(42,987)	124,021

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	200.00	-	200.00	400.00	25,594	79.6	4.7
Fiscal year ended March 31, 2026	-	200.00	-	200.00	400.00	24,550	39.0	4.4
Fiscal year ending March 31, 2027 (Forecast)	-	200.00	-	200.00	400.00		50.9	

Note: The interim dividend for the second quarter and the year-end dividend for the fiscal year ended March 31, 2025 each include a commemorative dividend of 50 yen per share (annually 100 yen per share).

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	80,000	5.0	500	(74.9)	35,000	25.3	24,000	25.4	401.66
Full year	166,000	3.5	4,500	0.1	68,000	4.2	47,000	(24.7)	786.58

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- Newly included: - companies()
- Excluded: - companies()
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	62,000,000 shares
As of March 31, 2025	65,000,000 shares

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

As of March 31, 2026	2,247,590 shares
As of March 31, 2025	2,673,900 shares

- (iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	60,891,578 shares
Fiscal Year ended March 31, 2025	63,349,095 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Group and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Group. Actual business and other results may differ substantially due to various factors. Please refer to 1. Overview of Operating Results, etc., (3) Future Outlook on page 5 of the attached materials for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results

During the fiscal year ended March 31, 2026 (the fiscal year under review), exports of low-priced steel products remained at high levels due to overproduction in China. Amid this situation, slump in steel demand and softness of steel market conditions lingered in regions other than the U.S., resulting in challenging conditions as a whole. On the other hand, the U.S. business has been driving the consolidated performance, as it managed to secure high earnings supported by robust demand, as well as upward trends in the market backed by strengthened tariff measures by the U.S. government. With regard to the Middle East business, we signed the share sale and purchase agreement in June 2025 and recognized an additional loss of ¥5.8 billion (including a ¥4.9 billion loss in equity in earnings of affiliate and ¥0.9 billion in extraordinary losses). We completed the share transfer (and reversed foreign currency translation adjustment of ¥22.2 billion in relation to the sale of shares of relevant equity-method affiliates) in February 2026.

In Japan, the stagnation in demand for structural steel continued resulting from shortage of construction capacity and persistently high construction costs. Amid rising steel scrap prices influenced by the weakness of the yen, coupled with rising costs, manufacturers intensified their stance on raising prices to improve profitability from the second half of the fiscal year onward. This resulted in signs of a pickup in the structural steel market; however, it has yet to fully improve. At Yamato Steel Co., Ltd., although we announced early price increases on certain products and strove to secure orders by implementing integrated production and sales operations to meet short delivery schedules, increases in various costs such as electricity costs and a further deterioration in metal margins due to rising steel scrap prices resulted in a year-on-year decline in both sales and profit in terms of performance.

As a result, net sales of the Steel (Japan) segment decreased by ¥6,533 million year on year to ¥52,981 million, and segment profit (operating profit) decreased by ¥4,467 million year on year to ¥1,494 million.

Results for the period from January to December 2025 for our consolidated subsidiaries in Thailand and Indonesia and our equity-method affiliates in the U.S., Vietnam, and South Korea have been incorporated into the consolidated accounts for the fiscal year under review.

At our Thai consolidated subsidiary, Siam Yamato Steel Co., Ltd. (SYS), demand for structural steel in Thailand is recovering, led mainly by public works projects such as flood control projects and private-sector projects such as data centers. Driven by stronger sales including exports, sales volume increased year on year. On the other hand, domestic selling prices that had been declining due to sluggish demand and the influx of low-priced Chinese steel, have finally bottomed out in the third quarter of the fiscal year under review, yet falling below the year-earlier level. Export selling prices continued to trend downward, due to severe competition from Chinese steel coupled with a stronger baht, leading to a decline in metal margins and a year-on-year decline in both sales and profit in terms of performance.

As a result, net sales of the Steel (Thailand) segment decreased by ¥594 million year on year to ¥68,520 million, and segment profit (operating profit) decreased by ¥1,108 million to ¥4,236 million.

Following the acquisition of an additional 5.82% of the shares of SYS in March 2026, our investment ratio to SYS rose to 70.00% from 64.18%. For further details, please refer to “3. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Statements (Business Combinations).”

At our Indonesian consolidated subsidiary, PT Garuda Yamato Steel (GYS), demand for structural steel has been weak due to a significant reduction in infrastructure investment budgets as a result of budget revisions under the new administration together with temporary stagnation in private investment during the period due to the impact of negotiations on tariff measures with the U.S. Although demand for structural steel remained sluggish, we have secured relatively high metal margins among our bases in ASEAN by expanding sales of earthquake-resistant construction steel material, among other efforts. However, the influx of low-priced Chinese steel has intensified, causing severe competition with domestic and overseas manufacturers to continue.

As a result, net sales of the Steel (Indonesia) segment decreased by ¥2,933 million year on year (the period from the second quarter onward was included in the previous fiscal year) to ¥25,033 million, and segment

profit (operating profit) decreased by ¥2,761 million year on year to ¥1,025 million. Note that the segment profit includes amortization of intangible assets of ¥181 million and amortization of goodwill of ¥1,025 million associated with the business combination.

From the fiscal year under review, the functional currency for GYS was changed from U.S. dollar to Indonesian rupiah.

At Nucor-Yamato Steel Company (NYS), our equity-method affiliate in the U.S., demand for structural steel has been robust, particularly for large-scale construction projects related to data centers and stadiums. Sales volume increased year on year, driven by strengthening the production and sales of high-value-added products in addition to the impact of strengthened tariff measures implemented by the U.S. government. While steel scrap prices remained stable at low levels, selling prices continued to trend upward since the beginning of the fiscal year supported by order backlogs remaining at high levels, and metal margins also improved. As a result, profit increased year on year in terms of performance.

At POSCO YAMATO VINA STEEL JOINT STOCK COMPANY (PY VINA), our equity-method affiliate in Vietnam, as the economy in Vietnam remains firm, the domestic demand for structural steel is on a recovery trend. However, severe competition from low-priced imported products, such as Chinese steel, continues. Export sales to South Korea and other countries have been stagnant, affected by sluggish demand in export destinations. In terms of performance, profit increased year on year, but remained at a level that secures profitability.

At YK Steel Corporation (YKS), our equity-method affiliate in South Korea, due to the prolonged downturn in the construction and real estate industries, demand for rebars in South Korea fell sharply, leading to a significant decline in production and sales volume. In terms of performance, a decrease in sales volume and a decline in selling prices led to a deterioration in metal margins, resulting in a decrease in profit year on year.

As a result of the above, net sales for the fiscal year under review decreased by ¥7,878 million year on year to ¥160,389 million. Operating profit decreased by ¥6,998 million year on year to ¥4,495 million, ordinary profit increased by ¥10,833 million to ¥65,235 million, and profit attributable to owners of parent increased by ¥30,556 million to ¥62,389 million.

HYOKI KAIUN KAISHA, LTD., a company we concluded a capital and business alliance agreement with on January 31, 2025, is treated as an equity-method affiliate from the end of the first quarter of the fiscal year under review.

Please note that the average foreign exchange rates for the fiscal year under review that were used in the preparation of the consolidated financial statements from the financial statements of overseas subsidiaries and affiliates were as follows.

(For all overseas companies, the fiscal year under review was from January to December 2025)
149.78 yen/U.S. dollar, 4.57 yen/baht, 0.0091 yen/Indonesian rupiah

Average foreign exchange rates for the previous fiscal year were as follows:
(For all overseas companies, the previous fiscal year was from January to December 2024)
152.27 yen/U.S. dollar, 4.32 yen/baht

(2) Overview of Financial Position

(i) Changes in financial position

At the end of the fiscal year under review, total assets were ¥633,540 million, a decrease of ¥23,940 million from the end of the previous fiscal year.

Total liabilities were ¥52,122 million, a decrease of ¥2,418 million from the end of the previous fiscal year.

Total net assets at the end of the fiscal year under review decreased by ¥21,522 million from the end of the previous fiscal year to ¥581,417 million. The main factors behind this were an increase due to profit attributable to owners of parent, and decreases caused by dividends paid, purchase of treasury shares, and a decrease in foreign currency translation adjustment.

Please note that the foreign exchange rates used in the preparation of the consolidated financial statements and translating the assets and liabilities of the domestic companies from the financial statements of overseas subsidiaries and affiliates at the end of the fiscal year under review were as follows.

(For all overseas companies, the end of the fiscal year under review was December 31, 2025)

156.54 yen/U.S. dollar, 4.95 yen/baht, 0.0093 yen/Indonesian rupiah

(For all domestic companies, the end of the fiscal year under review was March 31, 2026)

159.93 yen/U.S. dollar

Also, exchange rates for the end of the previous fiscal year were as follows:

(For all overseas companies, the end of the previous fiscal year was December 31, 2024)

158.17 yen/U.S. dollar, 4.65 yen/baht

(For all domestic companies, the end of the previous fiscal year was March 31, 2025)

149.53 yen/U.S. dollar

(ii) Cash flows

(Cash flows from operating activities)

Net cash provided by operating activities was ¥52,035 million, due mainly to profit before income taxes and cash distributions from the equity-method affiliate in the U.S.

(Cash flows from investing activities)

Net cash used in investing activities was ¥40,875 million, due mainly to payments into time deposits, despite proceeds from sales of investment securities.

(Cash flows from financing activities)

Net cash used in financing activities was ¥57,776 million, due mainly to dividends paid and purchase of treasury shares.

Taking into account the effect of exchange rate changes on cash and cash equivalents of negative ¥1,946 million, cash and cash equivalents at the end of the fiscal year under review decreased by ¥48,563 million from the end of the previous fiscal year to ¥75,458 million.

(3) Future Outlook

Looking ahead, as tensions in the Middle East continue to escalate, uncertainty in the global economy heightens, as represented by concerns about rising oil prices and logistics disruption. In China, a recovery in domestic demand is unlikely in the near future due to the prolonged downturn in the real estate industry, and exports of low-priced steel products from China are expected to remain at high levels.

In our bases other than the U.S., the business environment surrounding the Group will remain generally challenging. Meanwhile, the U.S. business will be only minimally affected by the external environment, such as rising tensions in the Middle East and a downturn in the Chinese economy, and will continue operating in a business environment where we can maintain stable high profitability. In each of our locations, we will implement countermeasures against low-priced Chinese steel and will continue to strive to secure sales volume, maintain metal margins, and reduce costs.

Based on the above, our forecasts for the first half of the fiscal year ending March 31, 2027 are consolidated net sales of ¥80,000 million, operating profit of ¥500 million, ordinary profit of ¥35,000 million, and profit attributable to owners of parent of ¥24,000 million.

For the full year earnings, we forecast consolidated net sales of ¥166,000 million, operating profit of ¥4,500 million, ordinary profit of ¥68,000 million, and profit attributable to owners of parent of ¥47,000 million.

Our current assumptions regarding business conditions in each country/region are as follows.

Japan (Yamato Steel)

Amid stagnated demand lingering for both the construction and civil engineering projects, there are growing concerns about a downturn in construction activities due to rising tensions in the Middle East, and the business environment will remain challenging, despite some expectations for a mild pickup in demand mainly in the civil engineering sector from the second half of the fiscal year onward. Under such an environment, we are working to strengthen sales further, including increases in selling prices, integrated production and sales operations to meet short delivery schedules and collaboration with the JFE Steel group in the H-beams business. However, improvement in profitability is expected to take time due to the earlier rise in steel scrap prices, as well as increases in various costs such as energy costs. Regarding the performance, we forecast a year-on-year decrease in profits, factoring in the impact of a two-month operational suspension due to preliminary construction for the rolling mill renewal from May to June.

Thailand (SYS)

Demand for structural steel in Thailand is on a recovery trend, supported by public works projects such as railway and port development, as well as private-sector projects such as data centers. However, there remain concerns that construction activities may stall again depending on developments in the Middle East situations. While energy cost hikes due to rising tensions in the Middle East constitute another concern, our export competitiveness is expected to improve following a decrease in exports of steel products and semi-finished goods from the Middle East to the ASEAN region, as well as a strong dollar and a weak baht. Since the effectuation of a five-year anti-dumping duty measure (ranging from 30.86% to 54.19%) on Chinese steel in November 2025, the influx of Chinese steel has been declining. Regarding the performance, we forecast a year-on-year increase in profits by increasing sales volume and by expanding metal margins.

Indonesia (GYS)

While the government continues to curtail infrastructure investment budgets, we forecast a year-on-year increase due mainly to the resumption of power transmission towers projects, and private-sector projects are also in progress centering on oil and gas-related facilities and data centers. Although we forecast an increase in sales volume following the strengthening of our sales strategies, price competition with domestic and overseas manufacturers will intensify further due to the larger influx of low-priced Chinese steel. Reflecting a resulting decline in metal margins, we forecast the performance to be at the same level as the previous fiscal year.

Segment profit (including amortization of goodwill) will remain at a level that secures profitability; however,

both net sales and profit/loss have remained below the assumptions made at the time of the decision to acquire shares of GYS. We will continue striving to recover structural profitability by shifting to high-value-added products and by reviewing market strategies, among other efforts.

United States (NYS)

While the U.S. economy faces uncertainty about the political outlook, it is expected to remain firm, supported mainly by domestic demand such as robust AI-related investments. Demand for structural steel is firm, mainly for data centers and for semiconductor-related fields, and order backlogs remain at high levels. Combined with the sales promotion of high-value-added products, sales volume is trending upward. As high import tariffs on steel products remain in place, the structural steel market has been on an upward trend. Regarding the performance, we forecast a year-on-year increase in profits by increasing sales volume and by expanding metal margins.

Vietnam (PY VINA)

The Vietnamese economy has maintained a relatively high growth rate, and demand for structural steel is expected to recover moderately, mainly for public-sector investments. On the other hand, there are concerns that energy cost hikes due to rising tensions in the Middle East may adversely affect its economy, causing severe competition to continue from inexpensive imported products, such as Chinese steel. While sluggish demand is expected to continue in South Korea, our major export destination, we work to expand exports and to secure sales volume, and forecast the performance to be at the same level as the previous fiscal year.

South Korea (YKS)

Although the economy in South Korea is showing signs of bottoming out, a recovery in demand for rebars is expected to take time. We are strengthening sales to government agencies and promoting further cost reductions. Although we forecast year-on-year improvement in performance, the business environment remains challenging.

Please note that for the January–December 2026 period, revenues generated and costs incurred by our overseas subsidiaries and affiliates have been translated into Japanese yen based on the following exchange rates:

(Average rates for the period)

147.87 yen/U.S. dollar, 4.56 yen/baht, and 0.0087 yen/Indonesian rupiah

The following exchange rates have been applied for translating the year-end (meaning the end of December 2026 for overseas subsidiaries and affiliates and the end of March 2027 for domestic subsidiaries and affiliates) assets and liabilities of each subsidiary and affiliate:

(End of period rates for all overseas subsidiaries and affiliates)

145.00 yen/U.S. dollar, 4.44 yen/baht, and 0.0085 yen/Indonesian rupiah

(End of period for all domestic subsidiaries and affiliates)

145.00 yen/U.S. dollar

(4) Dividend Policy and Dividends for the Current and Next Fiscal Years

We consider investments in growth, contributions to stakeholders, and the return of profit to shareholders to be important management issues, and aim to achieve sustainable growth and increases in corporate value over the medium to long term.

With regard to dividends, its basic policy is to distribute profit in accordance with performance. In addition to setting the dividend so as to target a consolidated dividend payout ratio of around 40% every year, the Company endeavors to maintain continuous and steady dividend payments, with a minimum annual amount of ¥300 per share for the time being.

We will also acquire treasury shares as and when appropriate, after performing a comprehensive assessment of total payout ratio and other issues in relation to the business environment.

Based on the policy above, we plan to pay a year-end dividend of ¥200 per share as announced previously. (Annual dividend will be ¥400 per share.)

With regard to dividends for the next fiscal year, we plan to pay the interim dividend of ¥200 per share for the second quarter and the year-end dividend of ¥200 per share, representing an annual dividend of ¥400 per share.

2. Basic Approach to Selection of Accounting Standards

The Group prepares consolidated financial statements in conformity with the generally accepted accounting principles in Japan (Japanese GAAP), taking into consideration comparability of consolidated financial statements over time and comparability among companies.

The Group will take into consideration the domestic and international situations for appropriate adoption of the IFRS in the future.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	224,968	219,383
Notes receivable - trade	0	2
Accounts receivable - trade	24,054	23,174
Merchandise and finished goods	24,530	24,189
Work in process	891	1,060
Raw materials and supplies	29,797	28,275
Other	5,893	14,083
Allowance for doubtful accounts	(21)	(24)
Total current assets	310,115	310,145
Non-current assets		
Property, plant and equipment		
Buildings and structures	51,590	53,810
Accumulated depreciation	(30,265)	(32,839)
Buildings and structures, net	21,324	20,970
Machinery, equipment and vehicles	187,137	196,163
Accumulated depreciation	(131,345)	(142,304)
Machinery, equipment and vehicles, net	55,791	53,858
Tools, furniture and fixtures	3,380	3,641
Accumulated depreciation	(2,656)	(2,851)
Tools, furniture and fixtures, net	724	789
Land	29,882	29,489
Construction in progress	5,198	7,796
Other	2,920	3,969
Accumulated depreciation	(723)	(931)
Other, net	2,197	3,037
Total property, plant and equipment	115,119	115,942
Intangible assets		
Goodwill	13,895	12,192
Other	3,851	3,669
Total intangible assets	17,746	15,862
Investments and other assets		
Investment securities	74,427	46,877
Investments in capital	110,827	122,413
Long-term loans receivable from subsidiaries and associates	21,673	-
Long-term accounts receivable - other	0	12,966
Retirement benefit asset	1,513	2,119
Other	6,132	7,298
Allowance for doubtful accounts	(74)	(84)
Total investments and other assets	214,499	191,590
Total non-current assets	347,365	323,395
Total assets	657,481	633,540

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,197	9,099
Current portion of long-term borrowings	1,174	744
Accounts payable - other	3,761	4,641
Accrued expenses	3,394	3,522
Income taxes payable	2,190	730
Advances received	1,858	1,473
Provision for bonuses	862	919
Other	1,824	1,295
Total current liabilities	25,265	22,426
Non-current liabilities		
Long-term borrowings	782	-
Deferred tax liabilities	20,057	20,919
Retirement benefit liability	3,145	3,173
Other	5,290	5,602
Total non-current liabilities	29,275	29,696
Total liabilities	54,540	52,122
Net assets		
Shareholders' equity		
Share capital	7,996	7,996
Capital surplus	228	101
Retained earnings	424,470	438,530
Treasury shares	(12,326)	(14,074)
Total shareholders' equity	420,369	432,554
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,463	8,279
Deferred gains or losses on hedges	-	2
Foreign currency translation adjustment	126,419	100,057
Remeasurements of defined benefit plans	321	851
Total accumulated other comprehensive income	137,203	109,190
Non-controlling interests	45,367	39,672
Total net assets	602,940	581,417
Total liabilities and net assets	657,481	633,540

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	168,268	160,389
Cost of sales	138,740	138,074
Gross profit	29,527	22,315
Selling, general and administrative expenses		
Packing and transportation costs	5,220	5,392
Salaries and allowances	3,032	3,453
Provision for bonuses	226	259
Retirement benefit expenses	188	214
Depreciation	700	812
Taxes and dues	481	370
Subsidiary stock acquisition-related cost	1,181	-
Other	7,002	7,317
Total selling, general and administrative expenses	18,033	17,819
Operating profit	11,493	4,495
Non-operating income		
Interest income	12,207	8,784
Dividend income	613	697
Equity in earnings of affiliates	27,773	47,490
Foreign exchange gains	1,756	2,991
Other	1,229	1,107
Total non-operating income	43,580	61,071
Non-operating expenses		
Interest expenses	253	208
Loss on valuation of derivatives	209	-
Loss on disaster	35	13
Other	174	108
Total non-operating expenses	671	331
Ordinary profit	54,402	65,235
Extraordinary income		
Gain on sale of non-current assets	25	12
Gain on sale of investment securities	101	16,821
Total extraordinary income	126	16,834
Extraordinary losses		
Loss on retirement of non-current assets	499	467
Provision for loss on litigation	118	111
Loss on transfer of receivables	-	914
Other	26	86
Total extraordinary losses	645	1,580
Profit before income taxes	53,883	80,490
Income taxes - current	20,470	14,848
Income taxes - deferred	(578)	1,711
Total income taxes	19,892	16,560
Profit	33,991	63,929
Profit attributable to non-controlling interests	2,157	1,539
Profit attributable to owners of parent	31,833	62,389

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	33,991	63,929
Other comprehensive income		
Valuation difference on available-for-sale securities	(605)	(2,210)
Foreign currency translation adjustment	28,361	(4,199)
Remeasurements of defined benefit plans, net of tax	89	529
Share of other comprehensive income of entities accounted for using equity method	17,128	(22,832)
Total other comprehensive income	44,975	(28,713)
Comprehensive income	78,966	35,215
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	74,054	34,376
Comprehensive income attributable to non-controlling interests	4,911	839

(3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,996	41	421,207	(1,354)	427,890
Changes during period					
Dividends of surplus			(28,570)		(28,570)
Profit attributable to owners of parent			31,833		31,833
Purchase of treasury shares				(11,004)	(11,004)
Disposal of treasury shares		155		11	167
Disposal of treasury stock upon restricted stock compensation		31		21	52
Cancellation of treasury shares					-
Transfer to retained earnings from other capital surplus					-
Increase in consolidated subsidiaries - non-controlling interests					-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	186	3,263	(10,971)	(7,521)
Balance at end of period	7,996	228	424,470	(12,326)	420,369

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,072	-	83,678	231	94,982	32,068	554,941
Changes during period							
Dividends of surplus							(28,570)
Profit attributable to owners of parent							31,833
Purchase of treasury shares							(11,004)
Disposal of treasury shares							167
Disposal of treasury stock upon restricted stock compensation							52
Cancellation of treasury shares							-
Transfer to retained earnings from other capital surplus							-
Increase in consolidated subsidiaries - non-controlling interests						9,981	9,981
Change in ownership interest of parent due to transactions with non-controlling interests							-
Net changes in items other than shareholders' equity	(609)	-	42,740	89	42,221	3,317	45,538
Total changes during period	(609)	-	42,740	89	42,221	13,299	47,998
Balance at end of period	10,463	-	126,419	321	137,203	45,367	602,940

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,996	228	424,470	(12,326)	420,369
Changes during period					
Dividends of surplus			(24,596)		(24,596)
Profit attributable to owners of parent			62,389		62,389
Purchase of treasury shares				(25,608)	(25,608)
Disposal of treasury shares		231		11	242
Disposal of treasury stock upon restricted stock compensation		7		36	44
Cancellation of treasury shares		(23,813)		23,813	-
Transfer to retained earnings from other capital surplus		23,733	(23,733)		-
Increase in consolidated subsidiaries - non-controlling interests					-
Change in ownership interest of parent due to transactions with non-controlling interests		(285)			(285)
Net changes in items other than shareholders' equity					
Total changes during period	-	(127)	14,060	(1,747)	12,185
Balance at end of period	7,996	101	438,530	(14,074)	432,554

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	10,463	-	126,419	321	137,203	45,367	602,940
Changes during period							
Dividends of surplus							(24,596)
Profit attributable to owners of parent							62,389
Purchase of treasury shares							(25,608)
Disposal of treasury shares							242
Disposal of treasury stock upon restricted stock compensation							44
Cancellation of treasury shares							-
Transfer to retained earnings from other capital surplus							-
Increase in consolidated subsidiaries - non-controlling interests							-
Change in ownership interest of parent due to transactions with non-controlling interests							(285)
Net changes in items other than shareholders' equity	(2,184)	2	(26,361)	530	(28,012)	(5,695)	(33,707)
Total changes during period	(2,184)	2	(26,361)	530	(28,012)	(5,695)	(21,522)
Balance at end of period	8,279	2	100,057	851	109,190	39,672	581,417

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	53,883	80,490
Depreciation	9,348	10,507
Amortization of goodwill	895	1,127
Increase (decrease) in allowance for doubtful accounts	(234)	13
Increase (decrease) in provision for bonuses	72	56
Increase (decrease) in retirement benefit liability	93	217
Interest and dividend income	(12,820)	(9,481)
Interest expenses	253	208
Foreign exchange losses (gains)	(835)	117
Equity in (earnings) losses of affiliates	(27,773)	(47,490)
Loss (gain) on sale of non-current assets	(25)	26
Loss on retirement of non-current assets	499	467
Loss (gain) on sale of investment securities	(101)	(16,821)
Decrease (increase) in trade receivables	8,049	1,302
Decrease (increase) in inventories	633	1,717
Increase (decrease) in trade payables	(2,739)	(1,144)
Increase (decrease) in accounts payable - other	(2,055)	(1)
Other, net	(2,450)	(113)
Subtotal	24,693	21,199
Interest and dividends received	70,538	50,169
Interest paid	(166)	(113)
Income taxes paid	(24,037)	(19,220)
Net cash provided by (used in) operating activities	71,028	52,035
Cash flows from investing activities		
Payments into time deposits	(278,010)	(447,799)
Proceeds from withdrawal of time deposits	261,323	404,553
Purchase of property, plant and equipment	(16,434)	(11,124)
Proceeds from sale of property, plant and equipment	57	21
Purchase of intangible assets	(370)	(403)
Purchase of investment securities	(2,350)	(113)
Proceeds from sale of investment securities	106	18,827
Purchase of shares of subsidiaries and associates	-	(4,675)
Collection of loans receivable from subsidiaries and affiliates	771	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(50,918)	-
Other, net	146	(162)
Net cash provided by (used in) investing activities	(85,679)	(40,875)
Cash flows from financing activities		
Repayments of long-term borrowings	(1,834)	(1,092)
Purchase of treasury shares	(11,004)	(25,394)
Dividends paid	(28,549)	(24,534)
Dividends paid to non-controlling interests	(1,596)	(879)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(5,943)
Other, net	(2)	66
Net cash provided by (used in) financing activities	(42,987)	(57,776)
Effect of exchange rate change on cash and cash equivalents	12,964	(1,946)
Net increase (decrease) in cash and cash equivalents	(44,673)	(48,563)
Cash and cash equivalents at beginning of period	168,695	124,021
Cash and cash equivalents at end of period	124,021	75,458

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Additional Information)

(Share transfer of equity-method affiliates in Middle East business)

The Company signed an agreement in June 2025 to transfer the shares of its equity-method affiliates engaged in the Middle East business, and completed the share transfer in February 2026. As a result of this share transfer, SULB Company BSC (c), United Steel Company (“Sulb”) Bahrain venture Co. W. L. L., and its subsidiary United SULB Company (“Saudi Sulb”) LLC, were excluded from the equity-method affiliates of the Company.

In accordance with this share transfer, we have additionally recorded equity in loss of affiliates of ¥4,973 million and loss on transfer of receivables of ¥914 million, and reversed foreign currency translation adjustment of ¥22,212 million.

(Segment Information, etc.)

1. Overview of Reportable Segments

The reportable segments are those component units of the Company for which separate financial information is available, and are subject to regular scrutiny by the Board of Directors in order to determine allocation of management resources and to assess results.

The Group uses the domestic business and its mother factory as a base for developing overseas business activities that are characterized by local production and local consumption. It achieves this by establishing production and sales locations in markets with strong demand or in emerging countries in which growth in infrastructure investment is expected going forward. The steel operations that constitute the main business of the Company are managed by Yamato Steel Co., Ltd. in Japan, and by local subsidiary Siam Yamato Steel Co., Ltd. (Thailand) and PT Garuda Yamato Steel (Indonesia) overseas. Each has independent managements units, and they have formulated a comprehensive strategy for the country or region in relation to the products they handle, based on which they are developing their business activities.

Accordingly, the Group consists of four reportable segments categorized by business or region, with each based on a production and sales structure. They are “Steel (Japan),” “Steel (Thailand),” “Steel (Indonesia),” and “Trackwork materials.”

The main products and services for each reportable segment are as follows.

[Steel (Japan)]	H-beam, channel, I-beam, sheet pile, patterned H-beams, rolled steel for shipbuilding, cast steel products, structural components for ships, heavy-duty machining
[Steel (Thailand)]	H-beam, channel, I-beam, sheet pile, Equal angle
[Steel (Indonesia)]	H-beam, channel, Equal angle
[Trackwork materials]	Turnouts, expansion joints, NEW crossings, glued insulated joint rails, anti-derailing guards, tie plates, bolts

2. Methods of Measurement for the Amounts of Net Sales, Profit (Loss), Assets, and Other Items for Each Reportable Segment

Accounting treatment of reportable segments is for the most part the same as the accounting treatment used for the preparation of the consolidated financial statements.

Segment profit is stated on an operating profit basis.

Internal net sales and transfers are determined mainly with reference to market prices and manufacturing cost.

3. Information about the Amounts of Net Sales, Profit (Loss), Assets, and Other Items for Each Reportable Segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Steel (Japan)	Steel (Thailand)	Steel (Indonesia)	Trackwork materials	Subtotal				
Net sales									
(1) Sales to customers	59,514	69,115	27,966	8,725	165,322	2,945	168,268	—	168,268
(2) Inter-segment sales and transfers	686	169	—	—	856	—	856	(856)	—
Total	60,201	69,284	27,966	8,725	166,178	2,945	169,124	(856)	168,268
Segment profit	5,961	5,345	3,787	1,430	16,524	297	16,822	(5,329)	11,493
Segment assets	69,905	76,298	77,100	9,778	233,082	22,716	255,798	401,682	657,481
Other:									
Depreciation and amortization	2,568	4,623	1,533	361	9,087	73	9,161	186	9,348
Amortization of goodwill	—	—	793	—	793	102	895	—	895
Increase in property, plant and equipment and intangible assets (Note 4)	9,956	3,364	305	486	14,112	59	14,171	2,125	16,296

(Notes) 1. The “Other” category consists of business segments not included in reportable segments, and includes manufacture and sale of counterweights, transportation, medical waste treatment, and real estate leasing.

2. Reconciliations are as follows:

- (1) The reconciliations of segment profit included corporate general expenses of ¥(5,329) million which were not allocated to the reportable segments. Corporate general expenses consist mainly of general expenses that are not attributable to the reportable segments and include subsidiary stock acquisition-related cost.
 - (2) The reconciliations of segment assets included corporate assets of ¥401,682 million which were not allocated to the reportable segments. Corporate assets consist mainly of assets of the filing company or the assets of the US headquarters company that are not attributable to the reportable segments.
 - (3) The reconciliations of depreciation and amortization included corporate general expenses of ¥186 million not allocated to the reportable segments.
 - (4) The reconciliations of increases in property, plant and equipment and intangible assets included corporate assets of ¥2,125 million not allocated to the reportable segments.
3. Certain reconciliations were made between segment profit and operating profit in the consolidated statements of income.
 4. The increase in property, plant and equipment and intangible assets did not include the increase caused by new consolidation.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments					Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
	Steel (Japan)	Steel (Thailand)	Steel (Indonesia)	Trackwork materials	Subtotal				
Net sales									
(1) Sales to customers	52,981	68,520	25,033	9,674	156,208	4,180	160,389	—	160,389
(2) Inter-segment sales and transfers	690	250	—	—	941	—	941	(941)	—
Total	53,671	68,771	25,033	9,674	157,149	4,180	161,330	(941)	160,389
Segment profit	1,494	4,236	1,025	1,731	8,487	365	8,853	(4,358)	4,495
Segment assets	70,680	80,810	69,490	10,514	231,495	23,715	255,211	378,328	633,540
Other:									
Depreciation and amortization	3,083	4,864	1,837	405	10,190	77	10,268	238	10,507
Amortization of goodwill	—	—	1,025	—	1,025	102	1,127	—	1,127
Increase in property, plant and equipment and intangible assets	7,692	2,588	768	239	11,288	107	11,396	1,447	12,843

- (Notes) 1. The “Other” category consists of business segments not included in reportable segments, and includes manufacture and sale of counterweights, transportation, medical waste treatment, and real estate leasing.
2. Reconciliations are as follows:
- (1) The reconciliations of segment profit included corporate general expenses of ¥(4,358) million which were not allocated to the reportable segments. Corporate general expenses consist mainly of general expenses that are not attributable to the reportable segments.
 - (2) The reconciliations of segment assets included corporate assets of ¥378,328 million which were not allocated to the reportable segments. Corporate assets consist mainly of assets of the filing company or the assets of the US headquarters company that are not attributable to the reportable segments.
 - (3) The reconciliations of depreciation and amortization included corporate general expenses of ¥238 million not allocated to the reportable segments.
 - (4) The reconciliations of increases in property, plant and equipment and intangible assets included corporate assets of ¥1,447 million not allocated to the reportable segments.
3. Certain reconciliations were made between segment profit and operating profit in the consolidated statements of income.

(Business Combinations)

(Common control transaction, etc.)

The Company has acquired an additional 5.82% of the shares of Siam Yamato Steel Co., Ltd. (“SYS”), a consolidated subsidiary engaged in the steel business in Thailand, in the fourth quarter of the fiscal year under review. As a result of this additional acquisition, the Company’s investment ratio to SYS has increased to 70.00% from 64.18%. We will further strengthen our involvement in the management of SYS.

1. Overview of the transaction

(1) Name of the combined company and details of its business

Name of the combined company: SYS (a consolidated subsidiary of the Company)

Description of business: Manufacture and sale of steel products

(2) Date of business combination

March 31, 2026 (Deemed acquisition date is December 31, 2025.)

(3) Legal form of business combination

Acquisition of shares from non-controlling shareholders

(4) Name of company after combination

There is no change.

2. Overview of the accounting treatment applied

In accordance with the Accounting Standard for Business Combinations (ASBJ Statement No. 21, January 16, 2019) and the Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, January 16, 2019), the transaction was accounted for as a transaction with non-controlling shareholders in a common control transaction.

3. Additional acquisition of shares of the subsidiary

Breakdown of acquisition cost of the acquired company and consideration by type

Consideration for acquisition	Cash	¥5,943 million
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Acquisition cost		¥5,943 million
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4. Changes in our ownership interest resulting from the transaction with non-controlling shareholders

(1) Major factor for the change in capital surplus

Additional acquisition of shares of the subsidiary

(2) Amount of the decrease in capital surplus due to the transaction with non-controlling shareholders

¥285 million

(Per Share Information)

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Net assets per share	8,946.06 yen	9,066.50 yen
Basic earnings per share	502.51 yen	1,024.60 yen

(Notes) 1. Information on diluted earnings per share is omitted since there were no potentially dilutive shares outstanding.

2. The bases for calculation of basic earnings per share are as follows:

	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (millions of yen)	31,833	62,389
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent pertaining to common stock (millions of yen)	31,833	62,389
Average number of common stock during the fiscal period (shares)	63,349,095	60,891,578

3. The bases for calculation of net assets per share are as follows.

	Fiscal year ended March 31, 2025 (March 31, 2025)	Fiscal year ended March 31, 2026 (March 31, 2026)
Total net assets (millions of yen)	602,940	581,417
Amount deducted from total net assets (millions of yen)	45,367	39,672
[Of which non-controlling interests (millions of yen)]	[45,367]	[39,672]
Net assets associated with common shares at the end of the period (millions of yen)	557,572	541,745
Number of common shares used to calculate net assets per share at the end of the period (shares)	62,326,100	59,752,410

(Significant Subsequent Events)

Not applicable.