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October 17, 2025

Non-consolidated Financial Results for the Six Months Ended September 30, 2025 (Under Japanese GAAP)

Company name: TOKYO STEEL MANUFACTURING CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 5423
URL: https://www.tokyosteel.co.jp/
Representative: Nobuaki Nara President
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Telephone: +81-3-3501-7721
Scheduled date to file semi-annual securities report: November 11, 2025
Scheduled date to commence dividend payments: November 25, 2025
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. Non-consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Non-consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	133,894	(23.2)	6,045	(56.6)	6,983	(53.1)	4,568	(53.5)
September 30, 2024	174,270	(7.9)	13,917	(35.4)	14,894	(33.8)	9,831	(37.0)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	44.43	-
September 30, 2024	90.62	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	293,416	212,960	72.6
March 31, 2025	292,973	209,918	71.7

Reference: Equity

As of September 30, 2025: ¥ 212,960 million
As of March 31, 2025: ¥ 209,918 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	25.00	-	25.00	50.00
Fiscal year ending March 31, 2026	-	25.00			
Fiscal year ending March 31, 2026 (Forecast)			-	25.00	50.00

Note: Revisions to the forecast of cash dividends most recently announced: None

Note: Breakdown of the second quarter dividend for the fiscal year ending March 31, 2026 :

Commemorative dividend - yen

Special dividend - yen

3. Non-consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	264,300	(19.1)	9,500	(68.4)	10,500	(66.8)	10,000	(52.8)	97.54

Note: Revisions to the financial result forecast most recently announced: Yes

Regarding the revision of our earnings forecast, please refer to the 'Notice Concerning Revision to Financial Results Forecasts ' announced today (October 17, 2025)

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of semi-annual non-consolidated financial statements: None

(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 September 30, 2025	110,064,249 shares
As of March 31, 2025	110,064,249 shares

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

As of September 30, 2025	7,543,906 shares
As of March 31, 2025	5,869,407 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025	102,818,079 shares
Six months ended September 30, 2024	108,489,369 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The above forecasts are based on information available as of the announcement date of this material and contain various uncertainties. Actual results may vary significantly depending on factors such as the price of steel scrap, which is our primary raw material, and market conditions for steel products. For matters related to the above forecasts, please refer to

'Attachment, Page 2: 1. Qualitative Information Regarding the Current Interim Financial Results (3) Explanation of Forward-Looking Statements such as Business Forecasts .'

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1. Qualitative Information Regarding the Current Interim Financial Results

(1) Overview of operating results for the Six months

During the July-September period, product shipment volumes fell below expectations due to factors such as reduced construction capacity resulting from labor shortages in the domestic construction sector. Additionally, fixed costs increased as production volumes declined, leading to a period profit that fell short of the plan.

(2) Overview of financial position for the Six months

Total assets for the current interim period increased by 442 million yen compared to the previous fiscal year-end to 293,416 million yen. Total liabilities decreased by 2,599 million yen compared to the previous fiscal year-end to 80,455 million yen. Total net assets increased by 3,042 million yen compared to the previous fiscal year-end to 212,960 million yen.

(3) Explanation of earnings forecasts and other forward-looking statements

Regarding the future outlook, in the domestic manufacturing sector, although the U.S. tariff issue on automobiles has been resolved, uncertainties persist regarding demand prospects, and there are concerns that rising scrap metal prices due to the weak yen will pressure profitability.

At our company as well, as exemplified by the October contract announced on September 16th, we were compelled to present reset prices reflecting the product market conditions to date, and we continue to face an unpredictable business environment. However, we will thoroughly implement our profitability-focused policy, concentrating on recovering selling prices while continuing cost reduction efforts, including reviews of unit consumption rates for each raw material.

In light of the above circumstances, we are revising our full-year earnings forecast announced on July 18, 2025.

Semi-annual Non-consolidated Financial Statements and Primary Notes

Semi-annual Non-consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	21,111	87,266
Electronically recorded monetary claims - operating	958	678
Accounts receivable - trade	28,260	23,271
Securities	75,000	-
Merchandise and finished goods	21,605	22,349
Raw materials and supplies	15,294	16,636
Other	1,953	2,183
Allowance for doubtful accounts	(30)	(24)
Total current assets	164,153	152,360
Non-current assets		
Property, plant and equipment		
Buildings, net	8,859	9,465
Machinery and equipment, net	40,923	42,101
Land	33,060	33,060
Leased assets, net	622	1,307
Construction in progress	10,554	15,202
Other, net	8,739	9,390
Total property, plant and equipment	102,760	110,527
Intangible assets	460	532
Investments and other assets		
Investment securities	25,392	29,807
Other	206	187
Total investments and other assets	25,598	29,995
Total non-current assets	128,820	141,055
Total assets	292,973	293,416

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	35,471	34,815
Electronically recorded obligations - operating	1,656	1,785
Accounts payable - other	7,352	7,256
Accrued expenses	13,334	12,871
Income taxes payable	3,318	1,683
Accrued consumption taxes	904	-
Provision for bonuses	884	906
Other	3,184	2,426
Total current liabilities	66,107	61,745
Non-current liabilities		
Provision for retirement benefits	6,517	6,332
Lease liabilities	39	286
Other	10,390	12,091
Total non-current liabilities	16,947	18,710
Total liabilities	83,055	80,455
Net assets		
Shareholders' equity		
Share capital	30,894	30,894
Capital surplus	28,844	28,846
Retained earnings	147,963	149,926
Treasury shares	(9,140)	(11,763)
Total shareholders' equity	198,562	197,903
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,356	15,057
Total valuation and translation adjustments	11,356	15,057
Total net assets	209,918	212,960
Total liabilities and net assets	292,973	293,416

Semi-annual Non-consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	174,270	133,894
Cost of sales	146,221	115,413
Gross profit	28,049	18,481
Selling, general and administrative expenses	14,131	12,436
Operating profit	13,917	6,045
Non-operating income		
Interest income	121	269
Dividend income	366	385
Purchase discounts	107	108
Foreign exchange gains	133	138
Rental income	59	66
Other	220	185
Total non-operating income	1,010	1,154
Non-operating expenses		
Interest expenses	10	112
Taxes and dues	8	8
Environmental expenses	-	48
Other	13	47
Total non-operating expenses	33	216
Ordinary profit	14,894	6,983
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on disposal of non-current assets	6	2
Total extraordinary income	6	3
Extraordinary losses		
Loss on disposal of non-current assets	438	383
Suspension loss of operations	-	498
Cost for restoring facilities	853	-
Total extraordinary losses	1,291	882
Profit before income taxes	13,609	6,104
Income taxes - current	3,555	1,524
Income taxes - deferred	222	11
Total income taxes	3,777	1,535
Profit	9,831	4,568

(3) Notes to Semi-annual Non-consolidated Financial Statements

(Notes on going concern assumption)
Not applicable.

(Notes on significant changes in the amount of shareholder's equity)
Based on a resolution of the Board of Directors held on July 26, 2024, the Company purchased 1,685,800 shares of treasury stock between April 1, 2025, and May 21, 2025. As a result, treasury stock increased by ¥2,640 million during the interim accounting period.

(Changes in Accounting Policies)
Not applicable.

(Notes on segment information, etc.)
Not applicable.

(Significant Subsequent Events)
Not applicable.

3. Supplementary information

(Comparative production volume) (in thousands of metric tons)

period / Article	Six months ended September 30, 2024	Six months ended September 30, 2025
Steel making	1,682	1,504
Rolling	1,514	1,370

(Comparative sales volume)

period / Article	Six months ended September 30, 2024			Six months ended September 30, 2025		
	Volume (in thousands of metric tons)	Unit price (thousand yen)	Amount (millions of yen)	volume (in thousands of metric tons)	Unit price (thousand yen)	Amount (millions of yen)
Products	1,517	110.1	167,038	1,361	95.7	130,241
(of which export)	(229)	(98.9)	(22,735)	(199)	(84.0)	(16,130)
Others	139	51.9	7,231	71	50.9	3,653
(of which export)	(5)	(80.4)	(450)	(6)	(75.7)	(457)
Total	1,656	105.2	174,270	1,432	93.4	133,894
(of which export)	(235)	(98.5)	(23,186)	(205)	(83.8)	(17,187)

(Capital expenditures, etc.) (in billions of yen)

period / Item	Six months ended September 30, 2024	Six months ended September 30, 2025
Depreciation and amortization	3.1	3.9
Capital expenditures for property, plant and equipment	14.2	12.1