

May 13, 2026

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

Company name: The Japan Steel Works, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 5631
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 Scheduled date of annual general meeting of shareholders: June 22, 2026
 Scheduled date to commence dividend payments: June 23, 2026
 Scheduled date to file annual securities report: June 19, 2026
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

(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.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	274,852	10.6	25,306	10.9	26,051	10.9	19,239	7.1
March 31, 2025	248,556	(1.6)	22,824	26.7	23,495	17.8	17,961	25.8

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥26,053 million [21.4%]
 For the fiscal year ended March 31, 2025: ¥21,464 million [(3.9)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	261.38	-	9.5	6.3	9.2
March 31, 2025	244.03	-	9.7	6.1	9.2

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥(1) million
 For the fiscal year ended March 31, 2025: ¥16 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	429,983	213,831	49.4	2,885.87
March 31, 2025	398,122	195,101	48.5	2,625.13

Reference: Equity
 As of March 31, 2026: ¥212,431 million
 As of March 31, 2025: ¥193,220 million

(3) Consolidated cash flows

Fiscal year ended	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
March 31, 2026	(16,893)	(17,103)	36,089	77,387
March 31, 2025	(4,567)	(12,272)	(5,723)	75,150

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	-	38.00	-	48.00	86.00	6,329	35.2	3.4
Fiscal year ended March 31, 2026	-	44.00	-	48.00	92.00	6,772	35.2	3.3
Fiscal year ending March 31, 2027 (Forecast)		46.00		46.00	92.00		35.6	

3. Forecast of consolidated financial results 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
Fiscal year ending March 31, 2027	310,000	12.8	27,000	6.7	26,000	(0.2)	19,000	(1.2)	258.11

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: 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 March 31, 2026	74,415,909 shares
As of March 31, 2025	74,408,985 shares

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

As of March 31, 2026	805,130 shares
As of March 31, 2025	804,900 shares

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

Fiscal year ended March 31, 2026	73,608,860 shares
Fiscal year ended March 31, 2025	73,601,588 shares

[Reference] Overview of non-consolidated financial results

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

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	156,584	9.2	11,740	30.6	18,494	30.1	15,553	41.1
March 31, 2025	143,370	(10.7)	8,988	(10.4)	14,218	2.7	11,021	13.4

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	211.30	-
March 31, 2025	149.75	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	339,474	157,712	46.5	2,142.52
March 31, 2025	299,839	145,694	48.6	1,979.43

Reference: Equity

As of March 31, 2026: ¥157,712 million

As of March 31, 2025: ¥145,694 million

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

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	75,899	77,763
Notes receivable - trade	507	233
Electronically recorded monetary claims - operating	7,729	3,792
Accounts receivable - trade	59,891	63,581
Merchandise and finished goods	5,894	4,532
Work in process	113,654	123,325
Raw materials and supplies	10,980	11,499
Other	21,276	27,074
Allowance for doubtful accounts	(237)	(204)
Total current assets	295,595	311,599
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,427	32,886
Machinery, equipment and vehicles, net	13,533	18,218
Tools, furniture and fixtures, net	3,176	3,115
Land	8,089	11,733
Leased assets, net	1,059	1,839
Construction in progress	3,335	1,960
Total property, plant and equipment	55,622	69,754
Intangible assets		
Leased assets	10	79
Other	2,229	3,654
Total intangible assets	2,240	3,734
Investments and other assets		
Investment securities	24,629	26,484
Long-term loans receivable	356	341
Distressed receivables	219	218
Retirement benefit asset	6,171	8,775
Deferred tax assets	10,071	5,746
Other	3,528	3,638
Allowance for doubtful accounts	(313)	(309)
Total investments and other assets	44,664	44,895
Total non-current assets	102,527	118,384
Total assets	398,122	429,983

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,545	24,559
Electronically recorded obligations - operating	29,647	3,787
Short-term borrowings	12,473	11,683
Current portion of long-term borrowings	10,299	299
Lease liabilities	335	608
Income taxes payable	4,604	3,517
Contract liabilities	56,596	56,751
Provision for bonuses for directors (and other officers)	51	35
Provision for warranties for completed construction	286	213
Provision for loss on construction contracts	579	2,715
Provision for loss on wind power generator business	486	486
Provision for business restructure	1,455	1,372
Other	21,275	23,024
Total current liabilities	167,637	129,052
Non-current liabilities		
Long-term borrowings	19,440	74,141
Lease liabilities	980	1,623
Deferred tax liabilities	306	281
Provision for retirement benefits for directors (and other officers)	39	35
Retirement benefit liability	7,791	5,370
Long-term guarantee deposits	4,867	3,760
Asset retirement obligations	1,446	1,455
Other	511	429
Total non-current liabilities	35,383	87,099
Total liabilities	203,020	216,151
Net assets		
Shareholders' equity		
Share capital	19,837	19,865
Capital surplus	5,569	5,580
Retained earnings	154,059	166,527
Treasury shares	(2,317)	(2,320)
Total shareholders' equity	177,149	189,653
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,845	11,552
Deferred gains or losses on hedges	7	147
Foreign currency translation adjustment	3,117	3,319
Remeasurements of defined benefit plans	5,101	7,759
Total accumulated other comprehensive income	16,071	22,778
Non-controlling interests	1,881	1,400
Total net assets	195,101	213,831
Total liabilities and net assets	398,122	429,983

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	248,556	274,852
Cost of sales	187,562	210,593
Gross profit	60,993	64,259
Selling, general and administrative expenses		
Freight and packing costs	7,146	6,242
Sales commission	3,626	4,079
Other direct selling expenses	960	1,014
Personnel expenses	11,562	12,230
Retirement benefit expenses	293	170
Travel expenses	1,158	1,335
Research and development expenses	4,478	4,726
Other indirect selling, general and administrative expenses	8,943	9,152
Total selling, general and administrative expenses	38,169	38,952
Operating profit	22,824	25,306
Non-operating income		
Interest income	124	180
Dividend income	716	797
Foreign exchange gains	-	361
Gain on non-current assets rent	255	244
Gain on adjustment of insurance	114	372
Share of profit of entities accounted for using equity method	16	-
Miscellaneous income	392	362
Total non-operating income	1,619	2,318
Non-operating expenses		
Interest expenses	274	728
Foreign exchange losses	277	-
Commission expenses	2	368
Share of loss of entities accounted for using equity method	-	1
Miscellaneous losses	394	475
Total non-operating expenses	948	1,573
Ordinary profit	23,495	26,051

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	272	12
Gain on sale of investment securities	1,170	3,123
Total extraordinary income	1,443	3,135
Extraordinary losses		
Loss on sale of non-current assets	227	-
Loss on retirement of non-current assets	807	809
Loss on valuation of investment securities	6	3
Loss on sales of investments in capital	54	-
Loss on inappropriate conduct in quality inspections	535	542
Total extraordinary losses	1,631	1,355
Profit before income taxes	23,307	27,831
Income taxes - current	6,941	7,139
Income taxes - deferred	(1,787)	1,314
Total income taxes	5,153	8,454
Profit	18,153	19,377
Profit attributable to non-controlling interests	192	137
Profit attributable to owners of parent	17,961	19,239

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	18,153	19,377
Other comprehensive income		
Valuation difference on available-for-sale securities	493	3,707
Deferred gains or losses on hedges	652	139
Foreign currency translation adjustment	1,266	170
Remeasurements of defined benefit plans, net of tax	898	2,657
Total other comprehensive income	3,311	6,675
Comprehensive income	21,464	26,053
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	21,203	25,947
Comprehensive income attributable to non-controlling interests	260	106

Consolidated statement of changes in equity

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	19,818	5,550	141,103	(2,316)	164,155
Changes during period					
Issuance of new shares	19	19			38
Dividends of surplus			(5,004)		(5,004)
Profit attributable to owners of parent			17,961		17,961
Purchase of shares of consolidated subsidiaries					
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					-
Total changes during period	19	19	12,956	(0)	12,994
Balance at end of period	19,837	5,569	154,059	(2,317)	177,149

	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	7,351	(644)	1,919	4,202	12,828	1,629	178,613
Changes during period							
Issuance of new shares					-		38
Dividends of surplus					-		(5,004)
Profit attributable to owners of parent					-		17,961
Purchase of shares of consolidated subsidiaries							
Purchase of treasury shares					-		(1)
Disposal of treasury shares					-		0
Net changes in items other than shareholders' equity	493	652	1,198	898	3,242	251	3,494
Total changes during period	493	652	1,198	898	3,242	251	16,488
Balance at end of period	7,845	7	3,117	5,101	16,071	1,881	195,101

Consolidated statement of changes in equity

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	19,837	5,569	154,059	(2,317)	177,149
Changes during period					
Issuance of new shares	27	27			54
Dividends of surplus			(6,771)		(6,771)
Profit attributable to owners of parent			19,239		19,239
Purchase of shares of consolidated subsidiaries		(16)			(16)
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					-
Total changes during period	27	11	12,467	(2)	12,503
Balance at end of period	19,865	5,580	166,527	(2,320)	189,653

	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	7,845	7	3,117	5,101	16,071	1,881	195,101
Changes during period							
Issuance of new shares					-		54
Dividends of surplus					-		(6,771)
Profit attributable to owners of parent					-		19,239
Purchase of shares of consolidated subsidiaries					-		(16)
Purchase of treasury shares					-		(2)
Disposal of treasury shares					-		0
Net changes in items other than shareholders' equity	3,707	139	202	2,657	6,707	(481)	6,226
Total changes during period	3,707	139	202	2,657	6,707	(481)	18,729
Balance at end of period	11,552	147	3,319	7,759	22,778	1,400	213,831

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	23,307	27,831
Depreciation	7,895	9,055
Amortization of goodwill	80	-
Interest and dividend income	(840)	(978)
Interest expenses	274	728
Share of loss (profit) of entities accounted for using equity method	(16)	1
Loss (gain) on valuation of investment securities	6	3
Loss (gain) on sale of investment securities	(1,170)	(3,123)
Loss (gain) on sales of investments in capital	54	-
Loss (gain) on sale of property, plant and equipment and intangible assets	(44)	(12)
Loss on retirement of property, plant and equipment and intangible assets	807	809
Decrease (increase) in trade receivables	17,244	(158)
Increase (decrease) in trade payables	(11,497)	(35,936)
Decrease (increase) in inventories	(32,276)	(8,768)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(2,517)	(296)
Increase (decrease) in retirement benefit liability	(70)	(454)
Decrease (increase) in retirement benefit asset	(363)	(419)
Increase (decrease) in provision for warranties for completed construction	233	(72)
Increase (decrease) in provision for loss on construction contracts	(4)	2,136
Other, net	(894)	497
Subtotal	208	(9,156)
Interest and dividends received	860	979
Interest paid	(268)	(468)
Income taxes refund (paid)	(5,368)	(8,247)
Net cash provided by (used in) operating activities	(4,567)	(16,893)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(15,110)	(23,693)
Proceeds from sale of property, plant and equipment and intangible assets	658	13
Purchase of investment securities	(23)	(24)
Proceeds from sale of investment securities	2,612	6,675
Net decrease (increase) in time deposits	(27)	336
Payments for retirement of property, plant and equipment	(721)	(784)
Proceeds from sale of investments in capital	210	-
Other, net	127	373
Net cash provided by (used in) investing activities	(12,272)	(17,103)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	113	(790)
Proceeds from long-term borrowings	4,500	55,000
Repayments of long-term borrowings	(4,876)	(10,299)
Dividends paid	(5,004)	(6,771)
Dividends paid to non-controlling interests	(9)	(2)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	-	(601)
Repayments of finance lease liabilities	(446)	(444)
Net cash provided by (used in) financing activities	(5,723)	36,089
Effect of exchange rate change on cash and cash equivalents	812	144
Net increase (decrease) in cash and cash equivalents	(21,751)	2,237
Cash and cash equivalents at beginning of period	96,902	75,150
Cash and cash equivalents at end of period	75,150	77,387