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November 7, 2025

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



Company name: YOTAI REFRACTORIES CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 5357

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Scheduled date to file semi-annual securities report: November 10, 2025

Scheduled date to commence dividend payments: December 5, 2025

Preparation of supplementary material on financial results: None

Holding of financial results briefing: None

President

Senior Managing Director, General Manager of General Affairs
Department of Head Office

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

1. Consolidated financial results for the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	13,957	(3.6)	1,327	(16.3)	1,404	(15.8)	764	(34.9)
September 30, 2024	14,472	2.4	1,587	(4.5)	1,667	(3.7)	1,174	(1.9)

Note: Comprehensive income For the six months ended September 30, 2025: ¥ 1,041 million [(3.5) %]
For the six months ended September 30, 2024: ¥ 1,078 million [(33.0) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	41.65	-
September 30, 2024	63.05	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	41,055	33,251	81.0
March 31, 2025	41,379	32,948	79.6

Reference: Equity

As of September 30, 2025: ¥ 33,251 million

As of March 31, 2025: ¥ 32,948 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	-	45.00	-	45.00	90.00
Fiscal year ending March 31, 2026	-	45.00			
Fiscal year ending March 31, 2026 (Forecast)			-	45.00	90.00

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

3. 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 attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	29,000	(1.0)	3,200	(8.2)	3,300	(9.4)	2,100	(19.9)	114.30

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

* Notes

(1) Significant changes in the scope of consolidation during the period: None

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

(3) 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

(4) 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	19,594,000 shares
As of March 31, 2025	19,594,000 shares

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

As of September 30, 2025	1,206,885 shares
As of March 31, 2025	1,258,325 shares

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

Six months ended September 30, 2025	18,358,557 shares
Six months ended September 30, 2024	18,629,635 shares

Note: The number of shares of the Company held by the YOTAI Employee Shareholding Association Exclusive Trust Account (54,400 shares as of September 30, 2025, 93,900 shares as of March 31, 2025) under the "Trust-type Employee Shareholding Incentive Plan (E-Ship)" is included in the number of treasury shares, which was to be deducted from the calculation of the total number of issued shares at the end of the period. For the purpose of calculating semi-annual earnings per share, the Company's shares held by the trust are also included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (73,925 shares as of September 30, 2025, 151,026 shares as of September 30, 2024).

* 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

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1. Qualitative Information on Semi-Annual Financial Results

(1) Explanation of Operating Results

During the period under review (April 1, 2025 to September 30, 2025), the Japanese economy maintained a moderate pace of recovery on the back of the improved job market and income environment, although fluctuating exchange rates and increasing prices were matters of concern.

Meanwhile, the outlook for the global economy still remained uncertain owing to the United States' trade policies, China's economic slowdown, and a surge in resource and raw material prices amid rising tensions in the Middle East and elsewhere around the world.

In this climate, the Yotai Group made ceaseless efforts to maintain high profitability. Specifically, it worked to develop new products tailored to customer needs, increase technical service personnel, pursue active sales by leveraging expanded sales bases, strengthen the stable and low-cost supply system through the streamlining of facilities, promote health and productivity management in keeping with its safety-first motto, and reduce greenhouse gas emissions.

As a result, for the period under review, consolidated net sales decreased by ¥514 million to ¥13,957 million, operating profit declined by ¥259 million to ¥1,327 million, and ordinary profit fell by ¥262 million to ¥1,404 million, on a year-on-year basis.

Profit attributable to owners of parent for the period under review decreased by ¥409 million year on year to ¥764 million.

Financial results by reportable segment were as described below.

(Refractories)

For the period under review, the refractories business recorded year-on-year declines in net sales by ¥717 million to ¥11,535 million and in segment profit by ¥236 million to ¥2,049 million due mainly to a decrease in orders from the ceramic and steel industries.

(Engineering)

For the period under review, the engineering business recorded a year-on-year rise in net sales by ¥202 million to ¥2,422 million, benefitting primarily from increased orders from the nonferrous industry, but posted a year-on-year fall in segment profit by ¥31 million to ¥254 million.

(2) Explanation of Financial Position

(i) Status of Financial Position

In respect to the Group's financial position at the end of the period under review, both total assets and total liabilities decreased due in part to the payment of accrued expenses, an item included in "other" of current liabilities, and of accounts payable - trade, while total net assets increased owing mainly to a rise in valuation difference on available-for-sale securities.

The status of each item was as detailed below.

Total assets at the end of the period under review amounted to ¥41,055 million, a decline of ¥323 million compared to the end of the previous fiscal year. This was primarily attributable to decreases of ¥1,377 million in cash and deposits and of ¥253 million in electronically recorded monetary claims - operating, which offset increases of ¥443 million in notes and accounts receivable - trade, and contract assets, of ¥429 million in investment securities, and of ¥422 million in raw materials and supplies.

Total liabilities at the end of the period under review stood at ¥7,804 million, a decline of ¥626 million compared to the end of the previous fiscal year. This was owing chiefly to decreases of ¥537 million in accrued expenses that were included in "other" of current liabilities, of ¥286 million in accounts payable - trade, of ¥96 million in electronically recorded obligations - operating, and of ¥70 million in long-term borrowings, which cancelled out an

increase of ¥446 million in provision for bonuses.

Total net assets at the end of the period under review came to ¥33,251 million, an increase of ¥302 million compared to the end of the previous fiscal year. This was due principally to an increase of ¥286 million in valuation difference on available-for-sale securities and a decrease of ¥84 million in treasury shares, which set off a decrease of ¥64 million in retained earnings.

As a result, the equity-to-asset ratio at the end of the period under review stood at 81.0%. Based on that, the Group considers its financial position to be generally sound.

(ii) Status of Cash Flows

The Group's cash and cash equivalents at the end of the period under review amounted to ¥5,034 million, a decrease of ¥1,377 million compared to the end of the previous fiscal year. This resulted principally from dividends paid and purchase of property, plant and equipment, which offset the posting of profit before income taxes. The status of respective cash flows was as stated below.

(Cash flows from operating activities)

Net cash provided by operating activities for the period under review amounted to ¥184 million (a decrease of ¥1,348 million year on year). This was primarily because of ¥1,099 million in profit before income taxes and ¥661 million in depreciation, which cancelled out outlay factors such as a ¥623 million decrease in trade payables, a ¥384 million increase in inventories, and ¥334 million for income taxes paid.

The year-on-year decline in net cash provided by operating activities was chiefly caused by the difference between the decrease and increase in inventories and by a decrease in profit before income taxes.

(Cash flows from investing activities)

Net cash used in investing activities for the period under review amounted to ¥684 million (a decrease of ¥601 million year on year). This was mainly owing to ¥640 million for purchase of property, plant and equipment.

The year-on-year decline in net cash used in investing activities was chiefly caused by a decrease in purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities for the period under review amounted to ¥845 million (an increase of ¥4 million year on year). This was principally attributable to ¥827 million for dividends paid.

The year-on-year increase in net cash used in financing activities was chiefly caused by an increase in payments associated with progress of the repayment of long-term borrowings.

(3) Explanation of Consolidated Financial Result Forecasts and Other Forward-Looking Information

The Company has revised its consolidated financial result forecasts for the fiscal year ending March 31, 2026 announced on May 9, 2025, considering primarily the progress made during the period under review toward the forecasts and the recent business environment. For details, please see the press release "Differences Between Forecast and Actual Consolidated Financial Results for the Six Months Ended September 30, 2025 and Revision to the Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2026" issued today on November 7, 2025.

Semi-annual Consolidated Financial Statements and Primary Notes
Semi-annual Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	6,412,094	5,034,843
Notes and accounts receivable - trade, and contract assets	9,374,107	9,817,646
Electronically recorded monetary claims - operating	2,014,581	1,761,241
Finished goods	5,203,930	5,152,150
Work in process	309,547	322,987
Raw materials and supplies	6,100,163	6,522,679
Other	171,554	186,925
Allowance for doubtful accounts	(1,800)	(1,800)
Total current assets	29,584,180	28,796,673
Non-current assets		
Property, plant and equipment	8,253,562	8,313,309
Intangible assets	321,724	304,652
Investments and other assets		
Investment securities	3,085,052	3,514,898
Other	135,503	126,766
Allowance for doubtful accounts	(850)	(850)
Total investments and other assets	3,219,705	3,640,814
Total non-current assets	11,794,992	12,258,777
Total assets	41,379,172	41,055,451

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	1,981,577	1,695,173
Electronically recorded obligations - operating	2,397,671	2,300,733
Income taxes payable	410,444	343,839
Provision for bonuses	-	446,500
Provision for bonuses for directors (and other officers)	40,940	19,800
Other	1,877,059	1,183,888
Total current liabilities	6,707,692	5,989,934
Non-current liabilities		
Long-term borrowings	170,090	99,530
Retirement benefit liability	1,280,599	1,308,270
Other	272,069	406,455
Total non-current liabilities	1,722,759	1,814,256
Total liabilities	8,430,452	7,804,190
Net assets		
Shareholders' equity		
Share capital	2,654,519	2,654,519
Capital surplus	1,710,876	1,717,003
Retained earnings	28,556,746	28,492,096
Treasury shares	(1,569,311)	(1,484,680)
Total shareholders' equity	31,352,830	31,378,939
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,474,856	1,761,705
Deferred gains or losses on hedges	(8,199)	21,801
Foreign currency translation adjustment	33,713	(4,618)
Remeasurements of defined benefit plans	95,519	93,433
Total accumulated other comprehensive income	1,595,889	1,872,321
Total net assets	32,948,720	33,251,260
Total liabilities and net assets	41,379,172	41,055,451

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statement of Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	14,472,262	13,957,639
Cost of sales	11,513,472	11,253,975
Gross profit	2,958,789	2,703,663
Selling, general and administrative expenses	1,371,788	1,375,855
Operating profit	1,587,001	1,327,807
Non-operating income		
Interest income	4,952	5,478
Dividend income	53,094	65,023
Foreign exchange gains	2,179	73
Rental income from real estate	8,902	8,438
Other	21,079	13,048
Total non-operating income	90,209	92,061
Non-operating expenses		
Interest expenses	99	181
Loss on retirement of non-current assets	7,296	14,245
Other	2,457	1,048
Total non-operating expenses	9,853	15,475
Ordinary profit	1,667,357	1,404,393
Extraordinary losses		
Tender offer related expenses	-	305,000
Total extraordinary losses	-	305,000
Profit before income taxes	1,667,357	1,099,393
Income taxes - current	489,650	326,290
Income taxes - deferred	3,027	8,421
Total income taxes	492,678	334,711
Profit	1,174,678	764,681
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,174,678	764,681

Semi-annual Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	1,174,678	764,681
Other comprehensive income		
Valuation difference on available-for-sale securities	(88,742)	286,848
Deferred gains or losses on hedges	(53,159)	30,001
Foreign currency translation adjustment	39,157	(38,332)
Remeasurements of defined benefit plans, net of tax	6,464	(2,086)
Total other comprehensive income	(96,280)	276,431
Comprehensive income	1,078,398	1,041,113
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,078,398	1,041,113
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statement of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	1,667,357	1,099,393
Depreciation	646,183	661,034
Increase (decrease) in retirement benefit liability	5,010	27,670
Increase (decrease) in provision for bonuses	449,150	446,500
Increase (decrease) in provision for bonuses for directors (and other officers)	(19,250)	(21,140)
Interest and dividend income	(58,047)	(70,501)
Interest expenses	99	181
Tender offer-related expenses	-	305,000
Decrease (increase) in trade receivables	683,361	300,185
Decrease (increase) in inventories	278,991	(384,175)
Increase (decrease) in trade payables	(466,995)	(623,981)
Other, net	(903,024)	(986,444)
Subtotal	2,282,836	753,722
Interest and dividends received	58,047	70,501
Interest paid	(99)	(181)
Income taxes paid	(807,288)	(334,537)
Tender Offer-Related Expenses paid	-	(305,000)
Net cash provided by (used in) operating activities	1,533,496	184,505
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,247,247)	(640,820)
Purchase of intangible assets	(23,431)	(26,911)
Purchase of investment securities	(10,431)	(11,089)
Other, net	(5,100)	(5,700)
Net cash provided by (used in) investing activities	(1,286,211)	(684,522)
Cash flows from financing activities		
Proceeds from long-term borrowings	290,000	-
Repayments of long-term borrowings	(49,750)	(70,560)
Purchase of treasury shares	(289,828)	-
Proceeds from disposal of treasury shares	340,679	68,078
Dividends paid	(1,114,906)	(827,778)
Other, net	(17,245)	(15,138)
Net cash provided by (used in) financing activities	(841,051)	(845,397)
Effect of exchange rate change on cash and cash equivalents	32,169	(31,835)
Net increase (decrease) in cash and cash equivalents	(561,596)	(1,377,250)
Cash and cash equivalents at beginning of period	6,460,021	6,412,094
Cash and cash equivalents at end of period	5,898,425	5,034,843

(4) Notes to Semi-Annual Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Additional Information)

(Transactions to deliver Company shares to employees, etc. through a trust)

In accordance with the resolution of the Board of Directors' meeting held on May 16, 2024, the Company introduced an Employee Shareholding Incentive Plan, or E-Ship, (the "Plan") as part of human capital management with three goals: incentivizing employees to increase the Company's value over the medium to long term; enhancing the employee benefit package; and helping the Company grow consistently by motivating employees to work even harder through equity participation as shareholders.

(i) Transaction overview

The Plan is designed to incentivize all the employees participating in the Yotai Employee Shareholding Association (the "Association") through the following transactions: First, the Company opened a trust account ("E-Ship Trust") dedicated to the Association at a trust bank. Then, the E-Ship Trust acquired in advance Company shares in the number expected to be obtained over the ensuing three years by the Association, through a private placement from the Company and using funds borrowed from a partner financial institution. Thereafter, the E-Ship Trust sells the Company shares to the Association on a recurring basis. When the E-Ship Trust is terminated, an amount corresponding to gains on sale of shares accumulated in the trust up to that time, if any, will be distributed as residual assets to persons meeting the beneficiary eligibility requirements. Note that the Company has guaranteed the debt taken out by the E-Ship Trust to acquire Company shares. Therefore, in the event that the falling share price of the Company leads to an amount corresponding to losses on sale of shares accumulated in the E-Ship Trust and that the trust at the time of its termination has an outstanding debt in the amount corresponding to such losses on sale of shares, it will be the Company to repay the outstanding debt.

(ii) Company shares remaining in the trust

The Company shares remaining in the trust are recognized as treasury shares in the net assets section at their carrying amount (net of ancillary expenses) in the trust. The carrying amount and the number of those treasury shares were ¥166 million and 93,900 shares at the end of the previous fiscal year, and ¥96 million and 54,400 shares at the end of the period under review.

(iii) Carrying amount of debt recognized applying the gross method

¥170 million at the end of the previous fiscal year and ¥99 million at the end of the period under review.

(Segment Information, Etc.)

I. For the six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment
(Thousands of yen)

	Reportable segment		
	Refractories	Engineering	Total
Net sales			
Revenue from contracts with customers	12,253,092	2,219,169	14,472,262
Net sales to outside customers	12,253,092	2,219,169	14,472,262
(Disaggregation by industry)			
Steel	6,153,524	330,955	6,484,480
Other	6,099,567	1,888,213	7,987,781
Intersegment net sales or transfers	—	—	—
Total	12,253,092	2,219,169	14,472,262
Segment profit	2,286,516	285,453	2,571,970

2. Difference between the total amount of profit (loss) of reportable segments and the amount recognized on the semi-annual consolidated statement of income, as well as the main details of that difference (matters related to difference reconciliation)

(Thousands of yen)

Profit	Amount
Reportable segments total	2,571,970
Elimination of intersegment transactions	—
Corporate expenses ^(note)	(984,968)
Operating profit on the semi-annual consolidated statement of income	1,587,001

Note: Corporate expenses mainly comprise general and administrative expenses not attributable to any reportable segment.

II. For the six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) and information on disaggregation of revenue by reportable segment
(Thousands of yen)

	Reportable segment		
	Refractories	Engineering	Total
Net sales			
Revenue from contracts with customers	11,535,610	2,422,028	13,957,639
Net sales to outside customers	11,535,610	2,422,028	13,957,639
(Disaggregation by industry)			
Steel	5,772,005	306,593	6,078,599
Other	5,763,604	2,115,435	7,879,040
Intersegment net sales or transfers	—	—	—
Total	11,535,610	2,422,028	13,957,639
Segment profit	2,049,999	254,140	2,304,139

2. Difference between the total amount of profit (loss) of reportable segments and the amount recognized on the semi-annual consolidated statement of income, as well as the main details of that difference (matters related to difference reconciliation)

(Thousands of yen)

Profit	Amount
Reportable segments total	2,304,139
Elimination of intersegment transactions	—
Corporate expenses ^(note)	(976,332)
Operating profit on the semi-annual consolidated statement of income	1,327,807

Note: Corporate expenses mainly comprise general and administrative expenses not attributable to any reportable segment.

(Revenue Recognition)

Information on the disaggregation of revenue from contracts with customers is as presented in “Segment Information, Etc.” above.