

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 7, 2023

Company name: The Japan Steel Works, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 5631 URL <https://www.jsw.co.jp/>  
 Representative: Representative Director & President toshio matsuo  
 General Manager, General Affairs hideo nakanishi  
 Inquiries: Department TEL 03-5745-2001  
 Scheduled date to file Quarterly Securities Report: August 10, 2023  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

#### (1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2023	54,751	21.6	2,755	324.9	3,517	127.5	2,452	372.6
Three months ended June 30, 2022	45,029	(2.1)	648	(82.5)	1,546	(62.3)	518	(82.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	33.33		–	
Three months ended June 30, 2022	7.05		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	348,049	161,363	45.9
As of March 31, 2023	348,358	160,636	45.7

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	29.00	–	29.00	58.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		29.00	–	29.00	58.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	280,000	17.3	18,500	33.6	19,000	27.0	14,000	16.9	190.26

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of June 30, 2023	74,387,779 shares	As of March 31, 2023	74,387,779 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	804,480 shares	As of March 31, 2023	804,399 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	73,583,354 shares	Three months ended June 30, 2022	73,569,120 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	87,286	85,025
Notes and accounts receivable - trade	68,524	57,591
Electronically recorded monetary claims - operating	3,672	4,009
Merchandise and finished goods	5,668	5,948
Work in process	76,245	83,042
Raw materials and supplies	8,839	9,559
Other	13,988	16,793
Allowance for doubtful accounts	(369)	(369)
Total current assets	263,856	261,601
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,197	21,168
Machinery, equipment and vehicles, net	11,084	12,029
Other, net	12,301	11,574
Total property, plant and equipment	44,583	44,773
Intangible assets		
Goodwill	242	202
Other	1,294	1,241
Total intangible assets	1,537	1,443
Investments and other assets		
Investment securities	19,388	21,243
Other	19,244	19,239
Allowance for doubtful accounts	(251)	(252)
Total investments and other assets	38,381	40,230
Total non-current assets	84,501	86,448
Total assets	348,358	348,049
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	34,715	29,376
Electronically recorded obligations - operating	34,481	37,277
Short-term borrowings	10,905	12,313
Current portion of long-term borrowings	2,523	1,326
Income taxes payable	1,605	1,238
Contract liabilities	33,358	31,286
Provision for loss wind power generator business	512	512
Provision for business restructure	1,541	1,539
Other provisions	744	704
Other	17,024	20,466
Total current liabilities	137,412	136,041
Non-current liabilities		
Long-term borrowings	29,118	29,044
Provisions	44	43
Retirement benefit liability	11,174	11,246
Asset retirement obligations	1,401	1,408
Other	8,569	8,900
Total non-current liabilities	50,308	50,643
Total liabilities	187,721	186,685

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	19,799	19,799
Capital surplus	5,531	5,531
Retained earnings	131,093	131,411
Treasury shares	(2,315)	(2,316)
Total shareholders' equity	154,108	154,427
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,956	4,250
Deferred gains or losses on hedges	(359)	(1,245)
Foreign currency translation adjustment	1,168	1,264
Remeasurements of defined benefit plans	1,225	1,190
Total accumulated other comprehensive income	4,991	5,459
Non-controlling interests	1,536	1,477
Total net assets	160,636	161,363
Total liabilities and net assets	348,358	348,049

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	45,029	54,751
Cost of sales	36,379	42,434
Gross profit	8,649	12,317
Selling, general and administrative expenses	8,000	9,561
Operating profit	648	2,755
Non-operating income		
Interest income	6	16
Dividend income	324	335
Foreign exchange gains	212	214
Gain on non-current assets rent	145	91
Share of profit of entities accounted for using equity method	–	15
Miscellaneous income	312	198
Total non-operating income	1,001	871
Non-operating expenses		
Interest expenses	52	52
Share of loss of entities accounted for using equity method	8	–
Miscellaneous losses	43	56
Total non-operating expenses	104	109
Ordinary profit	1,546	3,517
Extraordinary income		
Gain on sale of non-current assets	1	6
Gain on sale of investment securities	–	19
Total extraordinary income	1	25
Extraordinary losses		
Loss on sale of non-current assets	0	–
Loss on retirement of non-current assets	95	38
Loss on inappropriate conduct in quality inspections	177	43
Total extraordinary losses	273	81
Profit before income taxes	1,273	3,462
Income taxes - current	1,196	1,460
Income taxes - deferred	(471)	(499)
Total income taxes	724	960
Profit	549	2,501
Profit attributable to non-controlling interests	30	48
Profit attributable to owners of parent	518	2,452

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	549	2,501
Other comprehensive income		
Valuation difference on available-for-sale securities	350	1,293
Deferred gains or losses on hedges	(550)	(886)
Foreign currency translation adjustment	632	105
Remeasurements of defined benefit plans, net of tax	(40)	(35)
Total other comprehensive income	392	477
Comprehensive income	941	2,978
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	882	2,920
Comprehensive income attributable to non-controlling interests	59	58