

Translation

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

November 10, 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: November 13, 2023  
 Scheduled date to commence dividend payments: December 13, 2023  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 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	%
Six months ended September 30, 2023	110,184	6.3	5,784	86.0	6,784	58.8	4,763	170.6
Six months ended September 30, 2022	103,649	13.7	3,109	(56.3)	4,272	(45.8)	1,760	(73.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	64.73		-	
Six months ended September 30, 2022	23.93		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	351,250	164,776	46.5
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	-	29.00	-	-	-
Year ending March 31, 2024 (Forecast)	-	-	-	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 six months ended September 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 September 30, 2023	74,399,910 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 September 30, 2023	804,522 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)

Six months ended September 30, 2023	73,588,372 shares	Six months ended September 30, 2022	73,569,084 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	87,286	93,649
Notes and accounts receivable - trade	68,524	49,963
Electronically recorded monetary claims - operating	3,672	4,770
Merchandise and finished goods	5,668	7,049
Work in process	76,245	86,228
Raw materials and supplies	8,839	9,565
Other	13,988	13,466
Allowance for doubtful accounts	(369)	(349)
Total current assets	263,856	264,343
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	21,197	20,941
Machinery, equipment and vehicles, net	11,084	12,013
Other, net	12,301	11,923
Total property, plant and equipment	44,583	44,877
Intangible assets		
Goodwill	242	161
Other	1,294	1,278
Total intangible assets	1,537	1,440
Investments and other assets		
Investment securities	19,388	21,826
Other	19,244	19,012
Allowance for doubtful accounts	(251)	(251)
Total investments and other assets	38,381	40,588
Total non-current assets	84,501	86,906
Total assets	348,358	351,250
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	34,715	27,122
Electronically recorded obligations - operating	34,481	36,159
Short-term borrowings	10,905	12,597
Current portion of long-term borrowings	2,523	4,339
Income taxes payable	1,605	2,168
Contract liabilities	33,358	36,305
Provision for loss on wind power generator business	512	512
Provision for business restructure	1,541	1,539
Other provisions	744	583
Other	17,024	17,574
Total current liabilities	137,412	138,902
Non-current liabilities		
Long-term borrowings	29,118	25,949
Provisions	44	45
Retirement benefit liability	11,174	11,372
Asset retirement obligations	1,401	1,414
Other	8,569	8,788
Total non-current liabilities	50,308	47,571
Total liabilities	187,721	186,473

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	19,799	19,818
Capital surplus	5,531	5,550
Retained earnings	131,093	133,722
Treasury shares	(2,315)	(2,316)
Total shareholders' equity	154,108	156,775
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,956	4,821
Deferred gains or losses on hedges	(359)	(1,491)
Foreign currency translation adjustment	1,168	1,981
Remeasurements of defined benefit plans	1,225	1,155
Total accumulated other comprehensive income	4,991	6,467
Non-controlling interests	1,536	1,533
Total net assets	160,636	164,776
Total liabilities and net assets	348,358	351,250

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	103,649	110,184
Cost of sales	83,873	85,485
Gross profit	19,776	24,698
Selling, general and administrative expenses	16,666	18,913
Operating profit	3,109	5,784
Non-operating income		
Interest income	14	35
Dividend income	354	352
Foreign exchange gains	295	336
Gain on non-current assets rent	287	176
Share of profit of entities accounted for using equity method	–	25
Miscellaneous income	409	294
Total non-operating income	1,362	1,220
Non-operating expenses		
Interest expenses	109	105
Share of loss of entities accounted for using equity method	22	–
Miscellaneous losses	67	115
Total non-operating expenses	199	221
Ordinary profit	4,272	6,784
Extraordinary income		
Gain on sale of non-current assets	1	9
Gain on sale of investment securities	22	344
Total extraordinary income	24	353
Extraordinary losses		
Loss on retirement of non-current assets	185	99
Loss on inappropriate conduct in quality inspections	449	142
Total extraordinary losses	634	241
Profit before income taxes	3,662	6,896
Income taxes - current	1,629	2,473
Income taxes - deferred	208	(419)
Total income taxes	1,838	2,054
Profit	1,823	4,842
Profit attributable to non-controlling interests	62	78
Profit attributable to owners of parent	1,760	4,763

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,823	4,842
Other comprehensive income		
Valuation difference on available-for-sale securities	(217)	1,865
Deferred gains or losses on hedges	(370)	(1,132)
Foreign currency translation adjustment	1,472	849
Remeasurements of defined benefit plans, net of tax	(80)	(70)
Total other comprehensive income	803	1,511
Comprehensive income	2,626	6,353
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,512	6,238
Comprehensive income attributable to non-controlling interests	113	115