

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 12, 2025

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
 Director, Executive Officer
 Inquiries: General Manager, General Affairs hideo nakanishi TEL 03-5745-2001
 Department
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(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 | % |
| Nine months ended December 31, 2024 | 172,734 | (0.7) | 17,035 | 51.6 | 18,059 | 42.1 | 12,378 | 38.0 |
| Nine months ended December 31, 2023 | 173,887 | 7.2 | 11,238 | 86.0 | 12,709 | 70.7 | 8,968 | 170.1 |

| | Earnings per share | | Diluted earnings per share | |
|-------------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Nine months ended December 31, 2024 | 168.18 | | – | |
| Nine months ended December 31, 2023 | 121.87 | | – | |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of December 31, 2024 | 375,022 | 187,522 | 49.5 |
| As of March 31, 2024 | 366,775 | 178,613 | 48.3 |

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, 2024 | – | 29.00 | – | 30.00 | 59.00 |
| Year ending March 31, 2025 | – | 38.00 | – | | |
| Year ending March 31, 2025 (Forecast) | | | | 38.00 | 76.00 |

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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 | 270,000 | 6.9 | 22,000 | 22.1 | 22,500 | 12.8 | 16,000 | 12.1 | 217.39 |

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: 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: | Yes |
| 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 December 31, 2024 | 74,408,985 shares | As of March 31, 2024 | 74,399,910 shares |
|-------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|-------------------------|----------------|----------------------|----------------|
| As of December 31, 2024 | 804,749 shares | As of March 31, 2024 | 804,752 shares |
|-------------------------|----------------|----------------------|----------------|

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

| | | | |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended December 31, 2024 | 73,600,735 shares | Nine months ended December 31, 2023 | 73,590,697 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|-----------------------------------------------------|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 97,613 | 72,591 |
| Notes and accounts receivable - trade | 60,848 | 49,491 |
| Electronically recorded monetary claims - operating | 4,143 | 5,729 |
| Merchandise and finished goods | 6,292 | 6,119 |
| Work in process | 81,293 | 112,613 |
| Raw materials and supplies | 9,988 | 11,585 |
| Other | 14,228 | 18,249 |
| Allowance for doubtful accounts | (198) | (187) |
| Total current assets | 274,209 | 276,193 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 23,927 | 25,846 |
| Machinery, equipment and vehicles, net | 12,085 | 12,412 |
| Other, net | 10,711 | 14,648 |
| Total property, plant and equipment | 46,723 | 52,907 |
| Intangible assets | | |
| Goodwill | 80 | – |
| Other | 1,577 | 2,267 |
| Total intangible assets | 1,658 | 2,267 |
| Investments and other assets | | |
| Investment securities | 25,276 | 25,848 |
| Other | 19,227 | 18,123 |
| Allowance for doubtful accounts | (322) | (317) |
| Total investments and other assets | 44,182 | 43,654 |
| Total non-current assets | 92,565 | 98,829 |
| Total assets | 366,775 | 375,022 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 30,357 | 27,949 |
| Electronically recorded obligations - operating | 35,489 | 32,637 |
| Short-term borrowings | 12,360 | 12,194 |
| Current portion of long-term borrowings | 4,844 | 11,824 |
| Income taxes payable | 3,214 | 1,852 |
| Contract liabilities | 34,690 | 42,069 |
| Provision for loss on wind power generator business | 512 | 486 |
| Provision for business restructure | 1,498 | 1,498 |
| Other provisions | 681 | 435 |
| Other | 20,261 | 20,306 |
| Total current liabilities | 143,909 | 151,255 |
| Non-current liabilities | | |
| Long-term borrowings | 25,272 | 18,043 |
| Provisions | 44 | 38 |
| Retirement benefit liability | 9,168 | 9,537 |
| Asset retirement obligations | 1,427 | 1,423 |
| Other | 8,338 | 7,202 |
| Total non-current liabilities | 44,251 | 36,245 |
| Total liabilities | 188,161 | 187,500 |

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|-------------------------------------------------------|----------------------|-------------------------|
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 19,818 | 19,837 |
| Capital surplus | 5,550 | 5,569 |
| Retained earnings | 141,103 | 148,476 |
| Treasury shares | (2,316) | (2,316) |
| Total shareholders' equity | 164,155 | 171,567 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 7,351 | 7,798 |
| Deferred gains or losses on hedges | (644) | 251 |
| Foreign currency translation adjustment | 1,919 | 2,191 |
| Remeasurements of defined benefit plans | 4,202 | 3,915 |
| Total accumulated other comprehensive income | 12,828 | 14,155 |
| Non-controlling interests | 1,629 | 1,799 |
| Total net assets | 178,613 | 187,522 |
| Total liabilities and net assets | 366,775 | 375,022 |

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

Consolidated statements of income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|---------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Net sales | 173,887 | 172,734 |
| Cost of sales | 134,474 | 127,736 |
| Gross profit | 39,413 | 44,997 |
| Selling, general and administrative expenses | 28,174 | 27,962 |
| Operating profit | 11,238 | 17,035 |
| Non-operating income | | |
| Interest income | 54 | 78 |
| Dividend income | 632 | 702 |
| Foreign exchange gains | 270 | 69 |
| Gain on non-current assets rent | 261 | 193 |
| Share of profit of entities accounted for using equity method | 27 | 25 |
| Miscellaneous income | 519 | 350 |
| Total non-operating income | 1,766 | 1,419 |
| Non-operating expenses | | |
| Interest expenses | 158 | 195 |
| Miscellaneous losses | 137 | 200 |
| Total non-operating expenses | 295 | 395 |
| Ordinary profit | 12,709 | 18,059 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 13 | 16 |
| Gain on sale of investment securities | 344 | 196 |
| Total extraordinary income | 357 | 213 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | – | 230 |
| Loss on retirement of non-current assets | 267 | 407 |
| Loss on inappropriate conduct in quality inspections | 240 | 535 |
| Total extraordinary losses | 508 | 1,173 |
| Profit before income taxes | 12,558 | 17,098 |
| Income taxes - current | 3,075 | 4,149 |
| Income taxes - deferred | 392 | 432 |
| Total income taxes | 3,467 | 4,582 |
| Profit | 9,091 | 12,516 |
| Profit attributable to non-controlling interests | 122 | 138 |
| Profit attributable to owners of parent | 8,968 | 12,378 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|----------------------------------------------------------------|----------------------------------------|----------------------------------------|
| Profit | 9,091 | 12,516 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,950 | 447 |
| Deferred gains or losses on hedges | (578) | 895 |
| Foreign currency translation adjustment | 1,176 | 308 |
| Remeasurements of defined benefit plans, net of tax | (105) | (287) |
| Total other comprehensive income | 2,442 | 1,363 |
| Comprehensive income | 11,533 | 13,879 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 11,371 | 13,705 |
| Comprehensive income attributable to non-controlling interests | 162 | 174 |