## Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2017 (Based on Japanese GAAP)

November 6, 2017

Company name: The Japan Steel Works, Ltd.

Stock exchange listing: Tokyo

Stock code: 5631 URL http://www.jsw.co.jp/

Representative: Representative Director & President Naotaka Miyauchi

Inquiries: General Manager

General Affairs Department

Hiroki Kikuchi

TEL 03-5745-2001

Scheduled date to file Quarterly Securities Report: November 14, 2017 Scheduled date to commence dividend payments: December 6, 2017

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2017 (from April 1, 2017 to September 30, 2017)

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

Percentages indicate year-on-year changes

	Net sales		Operating pr	Operating profit		Ordinary profit		ble to rent
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2017	105,101	(1.8)	10,474	42.6	10,350	40.5	7,592	48.6
Six months ended September 30, 2016	107,039	13.1	7,346	46.5	7,368	38.5	5,110	61.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2017	103.32	-
Six months ended September 30, 2016	69.53	_

#### (2) Consolidated financial position

_	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2017	281,208	116,398	40.9
As of March 31, 2017	275,315	107,587	38.6

#### 2. Cash dividends

		Annual dividends per share					
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total		
	Yen	Yen	Yen	Yen	Yen		
Year ended March 31, 2017	_	2.50	_	12.50	_		
Year ending March 31, 2018	-	17.50					
Year ending March 31, 2018 (Forecast)			-	17.50	35.00		

### 3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

## Percentages indicate year-on-year changes

	Net sales		Operating pr	ofit	Ordinary pro	ofit	Profit attributa owners of pa		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	210,000	(1.2)	18,000	45.9	18,000	48.6	11,000	_	149.68

#### 4. Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2017 (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)

	1 (	3 /			
As of September 30, 2017	74,292,607 shares	As of March 31, 2017	74,292,607 shares		
Number of treasury shares at the end of the	period				
As of September 30, 2017	801,868 shares	As of March 31, 2017	801,480 shares		
Average number of shares during the period (cumulative from the beginning of the fiscal year)					
Six months ended September 30, 2017	73,491,002 shares	Six months ended September 30, 2016	73,493,155 shares		

# Quarterly consolidated financial statements Consolidated balance sheets

Assets   Current assets   Section   Section		A CM 1 21 2017	(Millions of yen)
Current assets		As of March 31, 2017	As of September 30, 2017
Cash and deposits         59,801         71           Notes and accounts receivable - trade         49,420         51           Merchandise and finished goods         2,358         2           Work in process         58,037         50           Raw materials and supplies         5,755         6           Other         11,332         10           Allowance for doubtful accounts         (140)         in           Allowance for doubtful accounts         (140)         in           Total current assets         186,565         192           Non-current assets         186,565         192           Non-current assets         15,491         15           Property, plant and equipment         15,690         5           Buildings and structures, net         11,141         12           Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intage of Codewill         657         657           Other         997         657         657           Other         997         1         657         657           Other         997         1         657         1           Investments			
Notes and accounts receivable - trade   49,420   51     Merchandise and finished goods   2,358   2     Work in process   58,037   50     Raw materials and supplies   5,755   6     Other   11,332   10     Allowance for doubtful accounts   (140)   10     Total current assets   186,565   192     Non-current assets		<b>5</b> 0.004	<b>-1</b> -0-
Merchandise and finished goods         2,358         2           Work in process         58,037         50           Raw materials and supplies         5,755         6           Other         11,332         10           Allowance for doubtful accounts         (140)         1           Total current assets         186,565         192           Non-current assets         7         192           Property, plant and equipment         15,491         15           Machinery, equipment and vehicles, net         5,600         5           Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets         667         0ther         997           Total intengible assets         1,655         1           Investments and other assets         1,655         1           Investments and other assets         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         4           Total investments and other assets         54,860         54           Total assets         25,315         281           Liabilities         20		·	71,595
Work in process         58,037         50           Raw materials and supplies         5,755         6           Other         11,332         10           Allowance for doubtful accounts         (140)         at           Total current assets         186,565         192           Non-current assets         7         190         192           Non-current assets         8         192         192           Non-current assets         8         192         192           Non-current assets         15,491         15         15         11         15         11         11         12         12         11         14         12         12         12         14         12         12         12         14         12         12         14         12         12         14         12         12         12         14         12         12         14         12         12         14         12			51,669
Raw materials and supplies         5,755         6           Other         11,332         10           Allowance for doubtful accounts         (140)         1           Total current assets         186,565         192           Non-current assets         186,565         192           Non-current assets         2         15           Property, plant and equipment         15,491         15           Machinery, equipment and vehicles, net         5,600         5           Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets         600dwill         657           Other         997         7           Total intangible assets         1,655         1           Investments and other assets         1,655         1           Investments and other assets         44,339         35           Other         20,976         18           Allowance for doubtful accounts         44,555         4           Total investments and other assets         54,860         54           Total investments and other assets         54,860         54           Total unrent assets         47,744         8			2,187
Other         11,332         10           Allowance for doubtful accounts         (140)         0           Total current assets         186,565         192           Non-current assets         Property, plant and equipment         15,491         15           Buildings and structures, net         15,690         5           Other, net         111,141         12           Total property, plant and equipment         32,233         33           Intangible assets         657         Other         657           Other         997         0         657         1           Total intangible assets         1,655         1         1           Investments and other assets         34,339         35         35           Investments and other assets         34,339         35         35           Other         20,976         18         34         34         35         35           Total investments and other assets         34,860         54         34         34         36         34         36         36         36         36         36         36         36         36         36         36         36         36         36         36         36 <th< td=""><td></td><td></td><td>50,784</td></th<>			50,784
Allowance for doubtful accounts   186,565   192     Total current assets   186,565   192     Non-current assets   186,565   192     Non-current assets   186,565   192     Non-current assets   15,491   15     Machinery, equipment and vehicles, net   5,600   5     Other, net   11,141   12     Total property, plant and equipment   32,233   33     Intangible assets   32,233   33     Intangible assets   700   700     Other   700   700   700     Total intangible assets   1,655   1     Investments and other assets   100   700     Investment securities   34,339   35     Other   20,976   18     Allowance for doubtful accounts   (455)   100     Total investments and other assets   54,860   54     Total non-current assets   88,749   88     Total assets   275,315   281     Liabilities   200   100     Income taxes payable - trade   47,744   48     Short-term loans payable - trade   47,744   48     Short-term loans payable - trade   47,744   48     Short-term loans payable   11,908   12     Income taxes payable   866   40     Advances received   17,004   17     Provision for loss on business of wind power   4,655   3     Other   20,447   16     Total current liabilities   108,390   102     Non-current l	Raw materials and supplies		6,053
Total current assets   186,565   192	Other	11,332	10,168
Non-current assets   Property, plant and equipment   Buildings and structures, net   15,491   15   Machinery, equipment and vehicles, net   5,600   5   Other, net   11,141   12   Total property, plant and equipment   32,233   33   33   Intangible assets   Goodwill   657   Other   997   Total intangible assets   1,655   1   Investments and other assets   1,655   1   Investment securities   34,339   35   100	Allowance for doubtful accounts	(140)	(138
Property, plant and equipment   Buildings and structures, net   15,491   15     Machinery, equipment and vehicles, net   5,600   5     Other, net   11,141   12     Total property, plant and equipment   32,233   33     Intangible assets	Total current assets	186,565	192,321
Buildings and structures, net         15,491         15           Machinery, equipment and vehicles, net         5,600         5           Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets	Non-current assets		
Machinery, equipment and vehicles, net         5,600         5           Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets         8657         0           Other         997         0           Total intangible assets         1,655         1           Investments and other assets         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total onn-current assets         88,749         88           Total assets         275,315         281           Liabilities         20,275         281           Current liabilities         47,744         48           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other Quitariariariariariariariariariariariariaria	Property, plant and equipment		
Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets         657           Other         997           Total intangible assets         1,655         1           Investments and other assets         1nvestment securities         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         20,976         18           Total investments and other assets         54,860         54           Total orn-current assets         88,749         88           Total assets         275,315         281           Liabilities         11,908         12           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866         3           Advances received         17,004         17           Tot	Buildings and structures, net	15,491	15,209
Other, net         11,141         12           Total property, plant and equipment         32,233         33           Intangible assets         657           Other         997           Total intangible assets         1,655         1           Investments and other assets         1nvestment securities         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         20,976         18           Total investments and other assets         54,860         54           Total overtent sasets         88,749         88           Total assets         275,315         281           Liabilities         11,908         12           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866         3           Advances received         17,004         17           Total	Machinery, equipment and vehicles, net	5,600	5,299
Intangible assets   Goodwill   657   Other   997   Total intangible assets   1,655   1   Investments and other assets   Investments and other assets   34,339   35   Other   20,976   18   Allowance for doubtful accounts   (455)		11,141	12,747
Intangible assets   Goodwill   657   Other   997   Total intangible assets   1,655   1   Investments and other assets   Investments and other assets   34,339   35   Other   20,976   18   Allowance for doubtful accounts   (455)	Total property, plant and equipment	32,233	33,256
Goodwill         657           Other         997           Total intangible assets         1,655         1           Investments and other assets         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         2         2         2           Current liabilities         47,744         48           Short-term loans payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866         44           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115			*
Other         997           Total intangible assets         1,655         1           Investments and other assets         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         Current liabilities           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866         4           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Long-term loans payable         34,901         37           Provision         115         10           Net defined benefit liability <td></td> <td>657</td> <td>562</td>		657	562
Total intangible assets         1,655         1           Investments and other assets         34,339         35           Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         20,474         48           Short-term loans payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other			963
Investments and other assets   Investment securities   34,339   35     Other   20,976   18     Allowance for doubtful accounts   (455)   (455)     Total investments and other assets   54,860   54     Total non-current assets   88,749   88     Total assets   275,315   281     Liabilities			1,52:
Investment securities	_		1,32,
Other         20,976         18           Allowance for doubtful accounts         (455)         6           Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         Current liabilities         47,744         48           Notes and accounts payable - trade         47,744         48         866           Short-term loans payable         11,908         12           Income taxes payable         866         4           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115         15           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12		24.220	25.577
Allowance for doubtful accounts       (455)       6         Total investments and other assets       54,860       54         Total non-current assets       88,749       88         Total assets       275,315       281         Liabilities         Current liabilities         Notes and accounts payable - trade       47,744       48         Short-term loans payable       11,908       12         Income taxes payable       866       46         Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       15         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12			35,573
Total investments and other assets         54,860         54           Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities           Current liabilities           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866         46           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115         15           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12			18,975
Total non-current assets         88,749         88           Total assets         275,315         281           Liabilities         Current liabilities           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866			(445
Total assets         275,315         281           Liabilities           Current liabilities           Notes and accounts payable - trade         47,744         48           Short-term loans payable         11,908         12           Income taxes payable         866           Advances received         17,004         17           Provision for loss on business of wind power         4,655         3           Other provision         5,763         3           Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12			54,104
Liabilities         Current liabilities       47,744       48         Notes and accounts payable - trade       47,744       48         Short-term loans payable       11,908       12         Income taxes payable       866         Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12			88,887
Current liabilities       47,744       48         Notes and accounts payable - trade       47,744       48         Short-term loans payable       11,908       12         Income taxes payable       866         Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       15         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Total assets	275,315	281,208
Notes and accounts payable - trade       47,744       48         Short-term loans payable       11,908       12         Income taxes payable       866	Liabilities		
Short-term loans payable       11,908       12         Income taxes payable       866         Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Current liabilities		
Income taxes payable       866         Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       15         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Notes and accounts payable - trade	47,744	48,576
Advances received       17,004       17         Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Short-term loans payable	11,908	12,125
Provision for loss on business of wind power       4,655       3         Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Income taxes payable	866	760
Other provision       5,763       3         Other       20,447       16         Total current liabilities       108,390       102         Non-current liabilities       34,901       37         Provision       115       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Advances received	17,004	17,328
Other         20,447         16           Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12	Provision for loss on business of wind power	4,655	3,912
Total current liabilities         108,390         102           Non-current liabilities         34,901         37           Provision         115         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12	Other provision	5,763	3,869
Non-current liabilities       34,901       37         Long-term loans payable       34,901       37         Provision       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Other	20,447	16,236
Long-term loans payable       34,901       37         Provision       115         Net defined benefit liability       10,620       10         Asset retirement obligations       1,320       1         Other       12,380       12	Total current liabilities	108,390	102,808
Provision         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12	Non-current liabilities		
Provision         115           Net defined benefit liability         10,620         10           Asset retirement obligations         1,320         1           Other         12,380         12	Long-term loans payable	34,901	37,808
Net defined benefit liability10,62010Asset retirement obligations1,3201Other12,38012			68
Asset retirement obligations       1,320       1         Other       12,380       12			10,72
Other 12,380 12			1,35
<del></del>			12,044
10tai non-cartett fiatilities 37,331 02			62,000
Total liabilities 167,727 164			164,809

(Millions of yen)

		(Willions of yell)
	As of March 31, 2017	As of September 30, 2017
Net assets		
Shareholders' equity		
Capital stock	19,694	19,694
Capital surplus	5,467	5,467
Retained earnings	77,748	84,422
Treasury shares	(2,308)	(2,308)
Total shareholders' equity	100,601	107,275
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,381	7,936
Deferred gains or losses on hedges	(301)	(19)
Foreign currency translation adjustment	(170)	(241)
Remeasurements of defined benefit plans	(211)	44
Total accumulated other comprehensive income	5,698	7,719
Non-controlling interests	1,287	1,403
Total net assets	107,587	116,398
Total liabilities and net assets	275,315	281,208
	· ·	

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

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

		(Millions of yen)
	Six months ended	Six months ended
	September 30, 2016	September 30, 2017
Net sales	107,039	105,101
Cost of sales	85,210	80,764
Gross profit	21,828	24,336
Selling, general and administrative expenses	14,482	13,862
Operating profit	7,346	10,474
Non-operating income		
Interest income	22	1:
Dividend income	327	412
Miscellaneous income	292	44
Total non-operating income	642	869
Non-operating expenses		
Interest expenses	135	13-
Share of loss of entities accounted for using equity method	1	
Miscellaneous loss	483	85
Total non-operating expenses	620	99
Ordinary profit	7,368	10,35
Extraordinary income		
Gain on sales of investment securities		79
Other	11	2
Total extraordinary income	11	81
Extraordinary losses		
Loss on retirement of non-current assets	55	12
Other	17	4
Total extraordinary losses	73	13.
Profit before income taxes	7,306	11,03
Income taxes - current	1,718	1,07
Income taxes - deferred	393	2,24
Total income taxes	2,112	3,32
Profit	5,194	7,71
Profit attributable to non-controlling interests	84	11:
Profit attributable to owners of parent	5,110	7,592

## Consolidated statements of comprehensive income (cumulative)

1	,	(Millions of yen)
	Six months ended	Six months ended
	September 30, 2016	September 30, 2017
Profit	5,194	7,711
Other comprehensive income		
Valuation difference on available-for-sale securities	(712)	1,554
Deferred gains or losses on hedges	11	281
Foreign currency translation adjustment	(773)	(62)
Remeasurements of defined benefit plans, net of tax	356	255
Total other comprehensive income	(1,118)	2,029
Comprehensive income	4,076	9,740
Comprehensive income attributable to		_
Comprehensive income attributable to owners of parent	4,064	9,613
Comprehensive income attributable to non-controlling interests	11	126