

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 5, 2024

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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 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	%
Three months ended June 30, 2024	47,602	(13.1)	4,268	54.9	4,817	36.9	3,623	47.7
Three months ended June 30, 2023	54,751	21.6	2,755	324.9	3,517	127.5	2,452	372.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	49.24	–
Three months ended June 30, 2023	33.33	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	373,713	180,602	47.9
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	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	29.00	–	30.00	59.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		37.00	–	37.00	74.00

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	265,000	4.9	20,000	11.0	20,500	2.8	15,500	8.6	210.61

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 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 June 30, 2024	74,399,910 shares	As of March 31, 2024	74,399,910 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	804,692 shares	As of March 31, 2024	804,752 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, 2024	73,595,211 shares	Three months ended June 30, 2023	73,583,354 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	97,613	90,791
Notes and accounts receivable - trade	60,848	54,789
Electronically recorded monetary claims - operating	4,143	5,808
Merchandise and finished goods	6,292	6,416
Work in process	81,293	95,682
Raw materials and supplies	9,988	10,064
Other	14,228	15,394
Allowance for doubtful accounts	(198)	(206)
Total current assets	274,209	278,741
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,927	23,544
Machinery, equipment and vehicles, net	12,085	11,760
Other, net	10,711	12,746
Total property, plant and equipment	46,723	48,050
Intangible assets		
Goodwill	80	40
Other	1,577	1,658
Total intangible assets	1,658	1,698
Investments and other assets		
Investment securities	25,276	25,062
Other	19,227	20,481
Allowance for doubtful accounts	(322)	(321)
Total investments and other assets	44,182	45,222
Total non-current assets	92,565	94,972
Total assets	366,775	373,713
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,357	25,946
Electronically recorded obligations - operating	35,489	33,094
Short-term borrowings	12,360	13,097
Current portion of long-term borrowings	4,844	14,844
Income taxes payable	3,214	2,138
Contract liabilities	34,690	43,119
Provision for loss wind power generator business	512	494
Provision for business restructure	1,498	1,498
Other provisions	681	1,045
Other	20,261	23,086
Total current liabilities	143,909	158,365
Non-current liabilities		
Long-term borrowings	25,272	15,195
Provisions	44	38
Retirement benefit liability	9,168	9,305
Asset retirement obligations	1,427	1,433
Other	8,338	8,772
Total non-current liabilities	44,251	34,745
Total liabilities	188,161	193,111

	(Millions of yen)	
	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	19,818	19,818
Capital surplus	5,550	5,550
Retained earnings	141,103	142,519
Treasury shares	(2,316)	(2,316)
Total shareholders' equity	164,155	165,571
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,351	7,197
Deferred gains or losses on hedges	(644)	(556)
Foreign currency translation adjustment	1,919	2,584
Remeasurements of defined benefit plans	4,202	4,106
Total accumulated other comprehensive income	12,828	13,332
Non-controlling interests	1,629	1,698
Total net assets	178,613	180,602
Total liabilities and net assets	366,775	373,713

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, 2023	Three months ended June 30, 2024
Net sales	54,751	47,602
Cost of sales	42,434	34,835
Gross profit	12,317	12,766
Selling, general and administrative expenses	9,561	8,498
Operating profit	2,755	4,268
Non-operating income		
Interest income	16	18
Dividend income	335	352
Gain on non-current assets rent	91	68
Share of profit of entities accounted for using equity method	15	1
Miscellaneous income	412	201
Total non-operating income	871	642
Non-operating expenses		
Interest expenses	52	57
Miscellaneous losses	56	35
Total non-operating expenses	109	93
Ordinary profit	3,517	4,817
Extraordinary income		
Gain on sale of non-current assets	6	4
Gain on sale of investment securities	19	—
Total extraordinary income	25	4
Extraordinary losses		
Loss on sale of non-current assets	—	94
Loss on retirement of non-current assets	38	41
Loss on inappropriate conduct in quality inspections	43	5
Total extraordinary losses	81	142
Profit before income taxes	3,462	4,679
Income taxes - current	1,460	2,179
Income taxes - deferred	(499)	(1,190)
Total income taxes	960	988
Profit	2,501	3,691
Profit attributable to non-controlling interests	48	67
Profit attributable to owners of parent	2,452	3,623

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	2,501	3,691
Other comprehensive income		
Valuation difference on available-for-sale securities	1,293	(153)
Deferred gains or losses on hedges	(886)	87
Foreign currency translation adjustment	105	671
Remeasurements of defined benefit plans, net of tax	(35)	(95)
Total other comprehensive income	477	510
Comprehensive income	2,978	4,201
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,920	4,127
Comprehensive income attributable to non-controlling interests	58	73