

May 13, 2025

Summary of Consolidated Financial Results for the Year Ended March 31, 2025 (Based on Japanese GAAP)

Company name: The Japan Steel Works, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 5631
 URL: <https://www.jsw.co.jp/>
 Representative: Toshio Matsuo, Representative Director & President
 Inquiries: Hideo Nakanishi, Director, Executive Officer General Manager, General Affairs Department
 Telephone: +81-3-5745-2001
 Scheduled date of annual general meeting of shareholders: June 23, 2025
 Scheduled date to commence dividend payments: June 24, 2025
 Scheduled date to file annual securities report: June 20, 2025
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	248,556	(1.6)	22,824	26.7	23,495	17.8	17,961	25.8
March 31, 2024	252,501	5.8	18,014	30.1	19,945	33.3	14,278	19.2

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥21,464 million [(3.9)%]
 For the fiscal year ended March 31, 2024: ¥22,329 million [56.1%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	244.03	-	9.7	6.1	9.2
March 31, 2024	194.02	-	8.5	5.6	7.1

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2025: ¥16 million
 For the fiscal year ended March 31, 2024: ¥30 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	398,122	195,101	48.5	2,625.13
March 31, 2024	366,775	178,613	48.3	2,404.83

Reference: Equity
 As of March 31, 2025: ¥193,220 million
 As of March 31, 2024: ¥176,983 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	(4,567)	(12,272)	(5,723)	75,150
March 31, 2024	21,707	(6,841)	(4,899)	96,902

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	29.00	-	30.00	59.00	4,342	30.4	2.6
Fiscal year ended March 31, 2025	-	38.00	-	48.00	86.00	6,329	35.2	3.4
Fiscal year ending March 31, 2026 (Forecast)		44.00		44.00	88.00		35.0	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2026	290,000	16.7	24,500	7.3	24,500	4.3	18,500	3.0	251.34

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2025	74,408,985 shares
As of March 31, 2024	74,399,910 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	804,900 shares
As of March 31, 2024	804,752 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	73,601,588 shares
Fiscal year ended March 31, 2024	73,591,835 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	143,370	(10.7)	8,988	(10.4)	14,218	2.7	11,021	13.4
March 31, 2024	160,599	2.1	10,031	20.4	13,838	14.4	9,716	(18.7)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	149.75	-
March 31, 2024	132.04	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	299,839	145,694	48.6	1,979.43
March 31, 2024	277,705	138,905	50.0	1,887.42

Reference: Equity

As of March 31, 2025: ¥145,694 million

As of March 31, 2024: ¥138,905 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	97,613	75,899
Notes receivable - trade	1,129	507
Electronically recorded monetary claims - operating	4,143	7,729
Accounts receivable - trade	59,718	59,891
Merchandise and finished goods	6,292	5,894
Work in process	81,293	113,654
Raw materials and supplies	9,988	10,980
Other	14,228	21,276
Allowance for doubtful accounts	(198)	(237)
Total current assets	274,209	295,595
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,927	26,427
Machinery, equipment and vehicles, net	12,085	13,533
Tools, furniture and fixtures, net	2,363	3,176
Land	6,628	8,089
Leased assets, net	931	1,059
Construction in progress	787	3,335
Total property, plant and equipment	46,723	55,622
Intangible assets		
Goodwill	80	-
Leased assets	13	10
Other	1,564	2,229
Total intangible assets	1,658	2,240
Investments and other assets		
Investment securities	25,276	24,629
Long-term loans receivable	300	356
Distressed receivables	225	219
Retirement benefit asset	5,787	6,171
Deferred tax assets	9,384	10,071
Other	3,529	3,528
Allowance for doubtful accounts	(322)	(313)
Total investments and other assets	44,182	44,664
Total non-current assets	92,565	102,527
Total assets	366,775	398,122

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,357	29,545
Electronically recorded obligations - operating	35,489	29,647
Short-term borrowings	12,360	12,473
Current portion of long-term borrowings	4,844	10,299
Lease liabilities	387	335
Income taxes payable	3,214	4,604
Contract liabilities	34,690	56,596
Provision for bonuses for directors (and other officers)	44	51
Provision for warranties for completed construction	52	286
Provision for loss on construction contracts	583	579
Provision for loss on wind power generator business	512	486
Provision for business restructure	1,498	1,455
Other	19,873	21,275
Total current liabilities	143,909	167,637
Non-current liabilities		
Long-term borrowings	25,272	19,440
Lease liabilities	771	980
Deferred tax liabilities	318	306
Provision for retirement benefits for directors (and other officers)	44	39
Retirement benefit liability	9,168	7,791
Long-term guarantee deposits	6,716	4,867
Asset retirement obligations	1,427	1,446
Other	532	511
Total non-current liabilities	44,251	35,383
Total liabilities	188,161	203,020
Net assets		
Shareholders' equity		
Share capital	19,818	19,837
Capital surplus	5,550	5,569
Retained earnings	141,103	154,059
Treasury shares	(2,316)	(2,317)
Total shareholders' equity	164,155	177,149
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,351	7,845
Deferred gains or losses on hedges	(644)	7
Foreign currency translation adjustment	1,919	3,117
Remeasurements of defined benefit plans	4,202	5,101
Total accumulated other comprehensive income	12,828	16,071
Non-controlling interests	1,629	1,881
Total net assets	178,613	195,101
Total liabilities and net assets	366,775	398,122

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	252,501	248,556
Cost of sales	195,688	187,562
Gross profit	56,813	60,993
Selling, general and administrative expenses		
Freight and packing costs	8,174	7,146
Sales commission	4,403	3,626
Other direct selling expenses	931	960
Personnel expenses	11,042	11,562
Retirement benefit expenses	277	293
Travel expenses	994	1,158
Research and development expenses	4,643	4,478
Other indirect selling, general and administrative expenses	8,331	8,943
Total selling, general and administrative expenses	38,799	38,169
Operating profit	18,014	22,824
Non-operating income		
Interest income	73	124
Dividend income	636	716
Foreign exchange gains	839	-
Gain on non-current assets rent	306	255
Share of profit of entities accounted for using equity method	30	16
Miscellaneous income	669	507
Total non-operating income	2,555	1,619
Non-operating expenses		
Interest expenses	212	274
Foreign exchange losses	-	277
Miscellaneous losses	412	396
Total non-operating expenses	624	948
Ordinary profit	19,945	23,495
Extraordinary income		
Gain on sale of non-current assets	1,092	272
Gain on sale of investment securities	644	1,170
Total extraordinary income	1,737	1,443
Extraordinary losses		
Loss on sale of non-current assets	13	227
Loss on retirement of non-current assets	566	807
Impairment losses	1,427	-
Loss on valuation of investment securities	-	6
Loss on sales of investments in capital	-	54
Loss on inappropriate conduct in quality inspections	473	535
Total extraordinary losses	2,480	1,631
Profit before income taxes	19,201	23,307
Income taxes - current	5,118	6,941
Income taxes - deferred	(365)	(1,787)
Total income taxes	4,752	5,153
Profit	14,449	18,153
Profit attributable to non-controlling interests	170	192
Profit attributable to owners of parent	14,278	17,961

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	14,449	18,153
Other comprehensive income		
Valuation difference on available-for-sale securities	4,394	493
Deferred gains or losses on hedges	(285)	652
Foreign currency translation adjustment	794	1,266
Remeasurements of defined benefit plans, net of tax	2,976	898
Total other comprehensive income	7,880	3,311
Comprehensive income	22,329	21,464
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,115	21,203
Comprehensive income attributable to non-controlling interests	214	260

Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,799	5,531	131,093	(2,315)	154,108
Issuance of new shares	18	18			37
Dividends of surplus			(4,268)		(4,268)
Profit attributable to owners of parent			14,278		14,278
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		(0)		0	0
Transfer of loss on disposal of treasury shares		0	(0)		-
Net changes in items other than shareholders' equity					-
Total changes during period	18	18	10,010	(0)	10,046
Balance at end of period	19,818	5,550	141,103	(2,316)	164,155

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	2,956	(359)	1,168	1,225	4,991	1,536	160,636
Issuance of new shares					-		37
Dividends of surplus					-		(4,268)
Profit attributable to owners of parent					-		14,278
Purchase of treasury shares					-		(1)
Disposal of treasury shares					-		0
Transfer of loss on disposal of treasury shares					-		-
Net changes in items other than shareholders' equity	4,394	(285)	750	2,976	7,836	93	7,930
Total changes during period	4,394	(285)	750	2,976	7,836	93	17,977
Balance at end of period	7,351	(644)	1,919	4,202	12,828	1,629	178,613

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	19,818	5,550	141,103	(2,316)	164,155
Issuance of new shares	19	19			38
Dividends of surplus			(5,004)		(5,004)
Profit attributable to owners of parent			17,961		17,961
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Transfer of loss on disposal of treasury shares					
Net changes in items other than shareholders' equity					-
Total changes during period	19	19	12,956	(0)	12,994
Balance at end of period	19,837	5,569	154,059	(2,317)	177,149

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,351	(644)	1,919	4,202	12,828	1,629	178,613
Issuance of new shares					-		38
Dividends of surplus					-		(5,004)
Profit attributable to owners of parent					-		17,961
Purchase of treasury shares					-		(1)
Disposal of treasury shares					-		0
Transfer of loss on disposal of treasury shares							
Net changes in items other than shareholders' equity	493	652	1,198	898	3,242	251	3,494
Total changes during period	493	652	1,198	898	3,242	251	16,488
Balance at end of period	7,845	7	3,117	5,101	16,071	1,881	195,101

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	19,201	23,307
Depreciation	7,743	7,895
Amortization of goodwill	161	80
Impairment losses	1,427	-
Interest and dividend income	(709)	(840)
Interest expenses	212	274
Share of loss (profit) of entities accounted for using equity method	(30)	(16)
Loss (gain) on valuation of investment securities	-	6
Loss (gain) on sale of investment securities	(644)	(1,170)
Loss (gain) on sales of investments in capital	-	54
Loss (gain) on sale of property, plant and equipment and intangible assets	(1,079)	(44)
Loss on retirement of property, plant and equipment and intangible assets	566	807
Decrease (increase) in trade receivables	8,366	17,244
Increase (decrease) in trade payables	(2,982)	(11,497)
Decrease (increase) in inventories	(6,230)	(32,276)
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	(149)	(2,517)
Increase (decrease) in retirement benefit liability	132	(70)
Decrease (increase) in retirement benefit asset	(339)	(363)
Increase (decrease) in provision for warranties for completed construction	(257)	233
Other, net	(592)	(899)
Subtotal	24,794	208
Interest and dividends received	708	860
Interest paid	(212)	(268)
Income taxes refund (paid)	(3,583)	(5,368)
Net cash provided by (used in) operating activities	21,707	(4,567)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(9,864)	(15,110)
Proceeds from sale of property, plant and equipment and intangible assets	1,802	658
Purchase of investment securities	(19)	(23)
Proceeds from sale of investment securities	1,320	2,612
Net decrease (increase) in time deposits	207	(27)
Payments for retirement of property, plant and equipment	(387)	(721)
Proceeds from sale of investments in capital	-	210
Proceeds from liquidation of subsidiaries and associates	-	69
Other, net	99	58
Net cash provided by (used in) investing activities	(6,841)	(12,272)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,455	113
Proceeds from long-term borrowings	1,000	4,500
Repayments of long-term borrowings	(2,525)	(4,876)
Dividends paid	(4,268)	(5,004)
Dividends paid to non-controlling interests	(120)	(9)
Repayments of finance lease liabilities	(439)	(446)
Net cash provided by (used in) financing activities	(4,899)	(5,723)
Effect of exchange rate change on cash and cash equivalents	535	812
Net increase (decrease) in cash and cash equivalents	10,502	(21,751)
Cash and cash equivalents at beginning of period	86,400	96,902
Cash and cash equivalents at end of period	96,902	75,150