



126th Term Report

April 1, 2024-March 31, 2025

スチール! & アイデア!
ヨドコウ

YODOKO REPORT

YODOGAWA STEEL WORKS

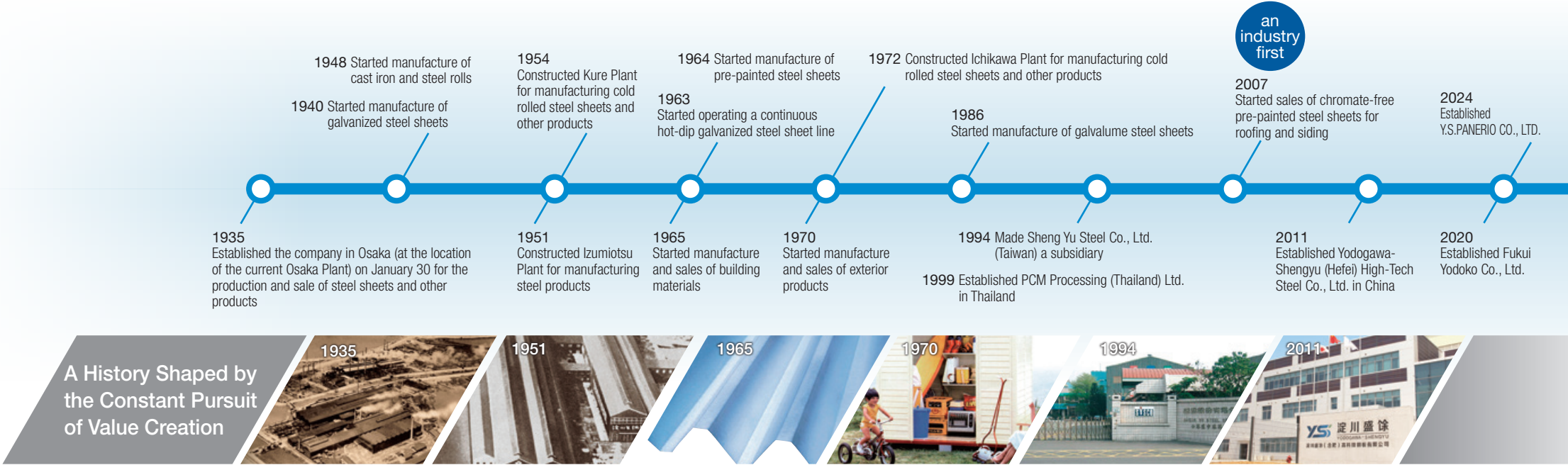
Steel sheet / Building material / Exterior / Roll / Grating

淀川製鋼グループ長期ビジョン





Eiichi Tanaka,
President and Representative Director



Yodoko Group Corporate Philosophy

Corporate Philosophy

Make people, communities, and the future bloom.

With innovative thinking and trusted capabilities,
we make people's ideas a reality.

Our most important values

Challenge—We value continuing to grow and take on new challenges together with our employees.

Quality—We provide high-quality products and services that satisfy our customers.

Integrity—We observe laws and ethics so that we may continue to be a trusted organization.

People—We respect diversity and seek to ensure people's safety, security, and happiness.

Coexistence—We live in harmony with the Earth, society, and local communities.

Action Guidelines

1. We are unafraid to change and take on new challenges
2. We do our best
3. We work together with our colleagues as a team
4. We learn and grow together
5. Individual action guidelines (we create our own individual action guidelines)

We would like to take this opportunity to express our appreciation for your support.

The overseas business climate for the Yodogawa Steel Group is expected to remain extremely unstable because of turmoil created by the Trump administration's tariffs, concerns about prolonged situation in Ukraine and Palestine, and prolonged downturn in the real estate market in China, and other sources of uncertainty.

In Japan, although the economy is expected to maintain its gradual recovery, the outlook is unclear because stock market volatility and the problems affecting the global economy are likely to have a major impact on Japan's economy too.

In the steel markets in Japan and other countries, the outlook for markets for steel products is unclear due to the inability to predict the impact of U.S. tariffs and the retaliatory tariffs of other countries. These events are likely to have a significant negative effect on the market

for steel products.

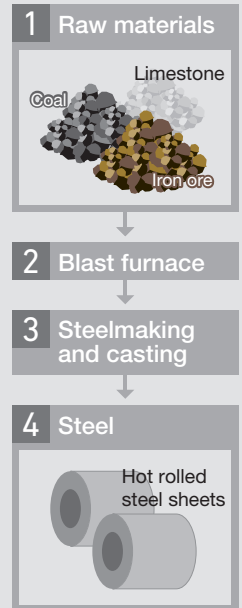
U.S. tariffs will probably have only a limited direct effect on the Yodogawa Steel Group because the group has only a small volume of business with the United States. However, tariffs are expected to have an indirect effect on the group's operations due to the enormous impact of tariffs on the supply and demand for products and materials sold by group companies.

To succeed in this uncertain business climate, all group companies are focusing on speed and agility concerning both sales and production activities to respond to rapidly changing market conditions. At the same time, by steadily implementing the "Yodogawa Steel Group Medium-Term Management Plan 2025," we will work to strengthen our earning power. We sincerely ask for your continued support and guidance.

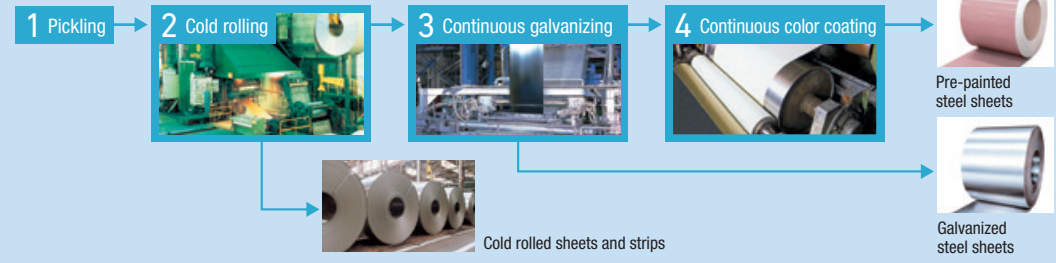
Our Position in the Iron and Steel Industry

We develop and supply distinctive products in a variety of business sectors by focusing on our key elements of security, safety, the environment, and beauty.

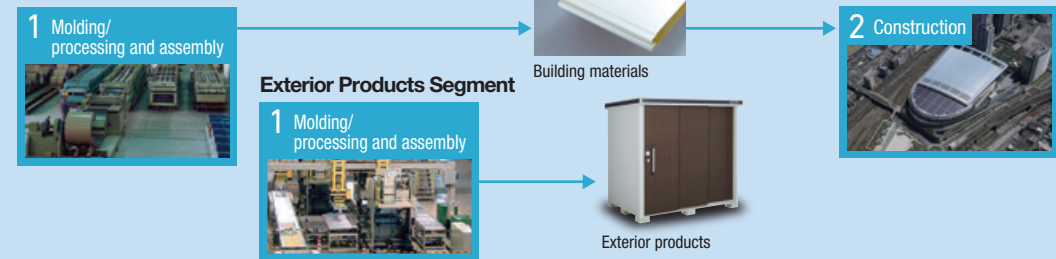
Blast furnace steelmaking



Steel Sheet Segment



Building Materials Segment



Roll Business

Steel Rolls Are Instrumental in a Variety of Industrial Fields

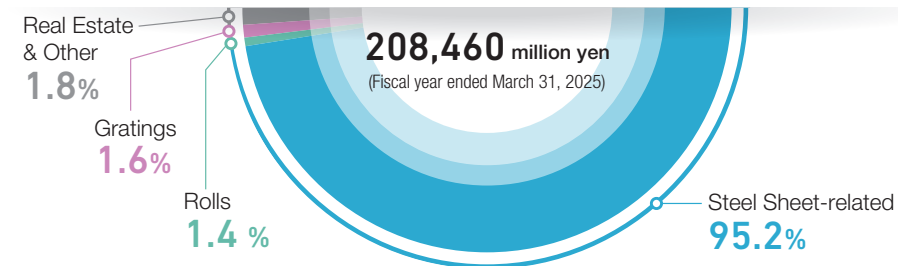
With products that range from rolls for the steel industry fabricated by one of the world's largest centrifugal casting facilities to equipment for the paper industry, including rolls and peripheral equipment, Yodogawa Steel is one of Japan's leading roll manufacturers.



Steel Sheet-related Business

Steel Sheet Segment

Business segment sales



Supplying Products that Perfectly Match Customer Needs

High-quality steel sheets incorporating years of accumulated technologies are used for a variety of industrial purposes, such as construction and the manufacture of home appliances and housing equipment. Through the development of highly functional, value-added, and environmentally friendly products, Yodogawa Steel meets the demands of customers.



An appliance using Yodoko steel sheets



A building interior with Yodoko panels

Building Materials and Exterior Products: Part of Our Society and Daily Lives

From molding and processing technology gained through our integrated steel sheet manufacturing, to our nationwide sales and service network, we make the most of years of experience to produce a variety of pioneering products that include steel-sheet building materials and exterior products.



A building with YODO fire-proof panel Grand Wall



YODO-Garage Raviege III

Building Materials & Exterior Products Segment

Grating Business

Yodogawa Gratings Contribute to a Safe and Secure Environment

Gratings are an integral part of the roads, parks, and other infrastructure that are vital to public safety and security. We supply a range of products from the standpoint of everyday activities that are environmentally friendly, people-friendly, and safe.



Real Estate & Other Businesses

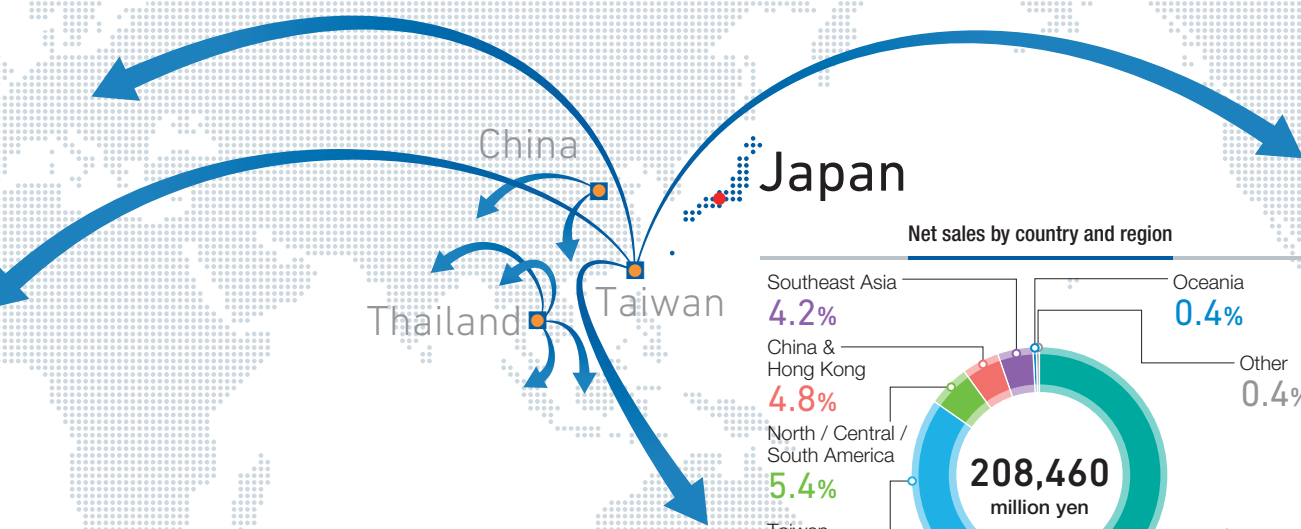
The Real Estate Business manages and effectively uses properties owned by Yodogawa Steel by leasing buildings and operating parking lots.



The Production and Sales Frameworks Behind Our Momentum

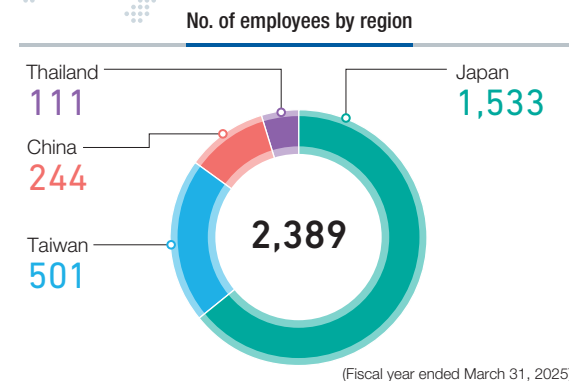
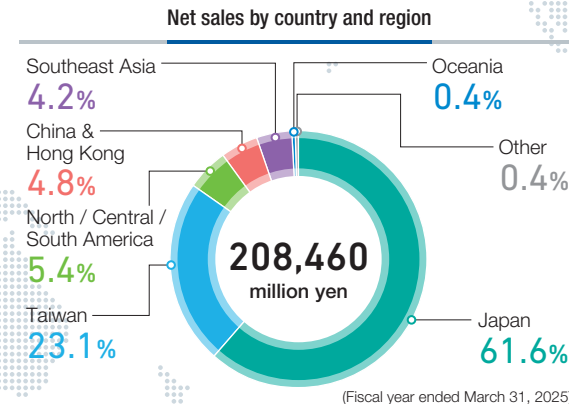
What is Yodoko?

- Yodogawa Steel Works, Ltd.
- Sales bases
- Production bases



Starting ahead of our competitors, we established a well-balanced sales and production network in Asia and use this infrastructure to supply high-quality surface-treated steel sheets to customers worldwide.

Japan

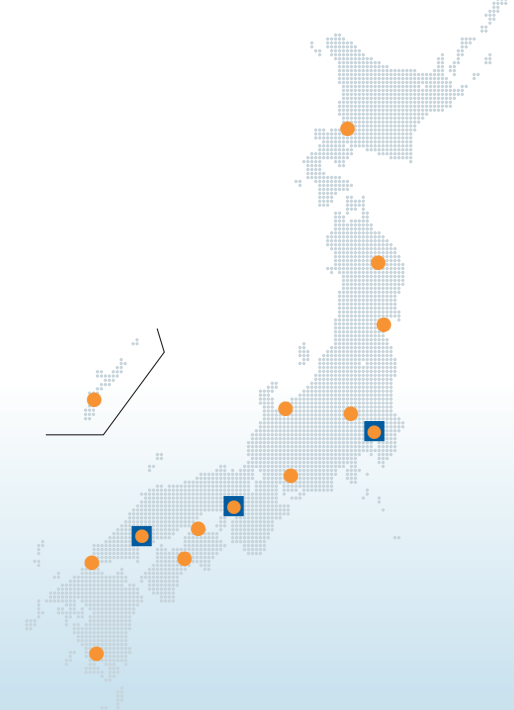
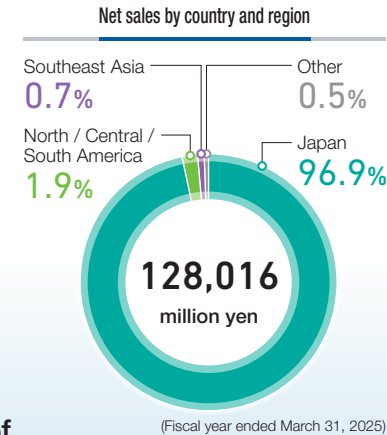


Japan

Yodogawa Steel Works, Ltd.



A well-balanced network of production bases in Japan and 14 sales offices that maintain close relationships with customers and with the region that each office serves

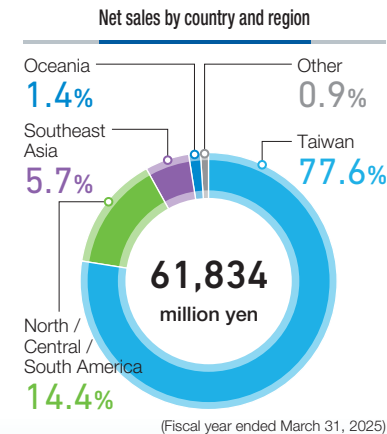


Taiwan

Sheng Yu Steel Co., Ltd. (SYSCO Taiwan)



SYSCO Taiwan has business operations with deep roots in Taiwan, including a listing on the Taiwan Stock Exchange and strong brand recognition in Taiwan.



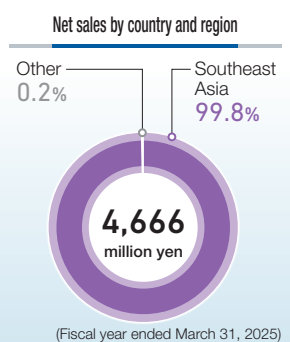
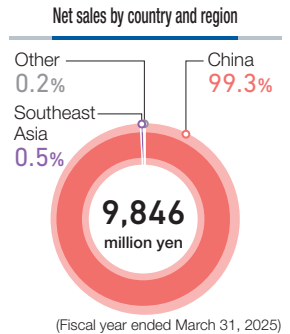
China

Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS China)



Thailand

PCM Processing (Thailand) Ltd. (PPT Thailand)



We aim to contribute to sustainable social progress and to grow as a company through the creation of value for security, safety, the environment, and beauty.

The Yodogawa Steel Group's goal is sustained growth by utilizing speed and agility based on our Corporate Philosophy for business operations and taking full advantage of the Group's collective strengths.

Social challenges

A declining and aging population with a low birth rate

Depletion of natural resources

Disaster mitigation and preparedness

Create a sustainable society

More diverse and complex customer needs

Corporate integration and restructuring (iron and steel industry)

Increase of trade protectionism

Faster globalization and intensifying competition

Basic Philosophy

Create Value with New Originality*

Strengths of the Yodogawa Steel Group

Speed and Agility

1 Sales

A sales framework in Japan and other countries closely tied to local customers

2 Technology

Technical capabilities for precisely meeting customers' needs

3 Procurement

Flexible procurement due to our absence of affiliations with any corporate groups

4 Production

Well-balanced production network in Japan and other countries

Business Activities

For more information see pages 3-6

Steel Sheet-related Business

Roll Business

Steel Sheet Segment
Building Materials & Exterior Products Segment

Grating Business

Real Estate & Other Businesses

Long-Term Vision

The SAKURA 100

Our Goals

An agile company able to adapt to a variety of changes in market conditions

An ambitious company that takes on the challenge of entering new business fields

A successful company that is admired and respected worldwide

淀川製鋼グループ長期ビジョン



We created a logo for The SAKURA 100, the Yodogawa Steel Group's long-term vision (announced in March 2017), with the objectives of increasing awareness of the vision at every group company and deepening our stakeholders' understanding of the vision.

For more information see pages 17-18

Yodogawa Steel Group Medium-Term Management Plan 2025

Basic Policy

Take full advantage of the Yodogawa Steel Group's key strengths of speed and agility as well as the collective power of the Group

Focus on building a foundation for our Long-Term Vision

Basic Strategy

Build an even stronger profit structure

- Expansion of existing businesses for more growth
- Further upgrade manufacturing skills

Take on the challenge of entering new business fields

- Start new businesses based on existing business

Establish a foundation for sustainable operations

- Make substantial investments and improve capital productivity for more progress and growth
- Increase training programs for next generation and organizational strength
- Coexist with all of our stakeholders

Creating Value through Business Activities

Product development, manufacturing, sales and all other activities place priority on safety, security, the environment, and beauty with the goal of providing diverse types of value to stakeholders.



The Sustainable Development Goals

The Sustainable Development Goals were adopted in September 2015 at the United Nations Sustainable Development Summit, which was attended by more than 150 world leaders. The SDGs consist of 17 goals and 169 targets. The Yodogawa Steel Group is determined to make an even greater contribution to accomplishing the SDGs by using business activities to create value.



Shareholders and investors



- Maximize corporate value by achieving sustainable growth
- Provide stable, continuous returns to shareholders

Customers and business partners



- Supply safe and reliable products and services that meet the needs of customers and society
- Use our more than 80 years of experience to build business partner relationships rooted in mutual trust

Employees



- Provide a safe and secure environment conducive to productive work
- Develop a team of people with distinctive strengths who are constantly growing and taking on new challenges

Society and nature



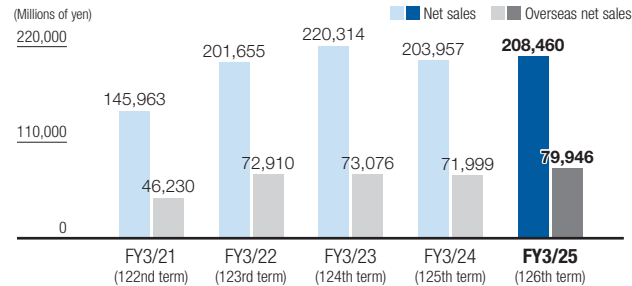
- Contribute to lowering the environmental impact by supplying environmentally responsible products
- Contribute to social infrastructure by supplying attractive products

*The basic philosophy at the time of formulating the current long-term vision and medium-term management plan.

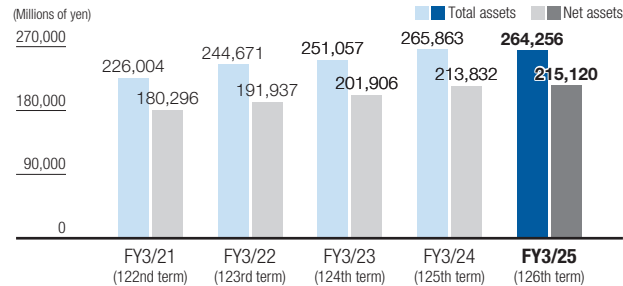
Financial and Non-financial Highlights

What is Yodoko?

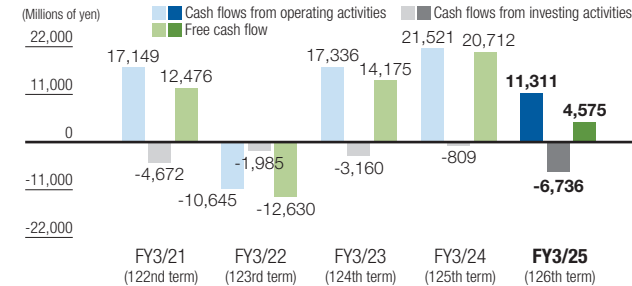
Net sales, overseas net sales (consolidated)



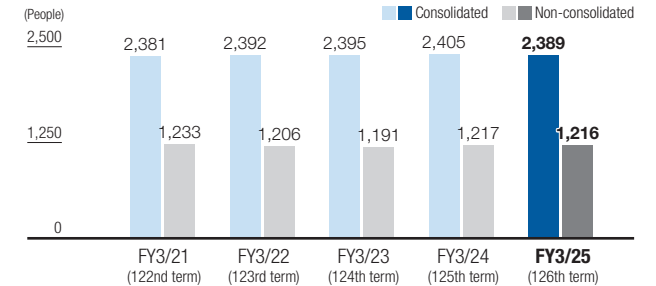
Total assets, net assets (consolidated)



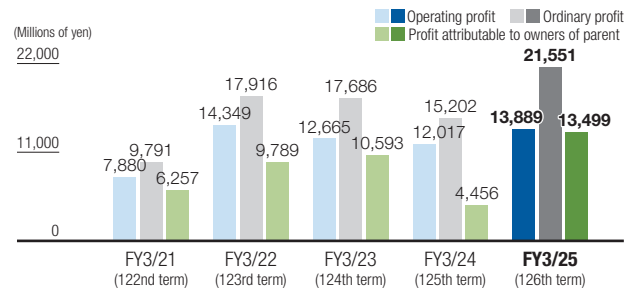
Cash flows from operating activities, cash flows from investing activities, free cash flow (consolidated)



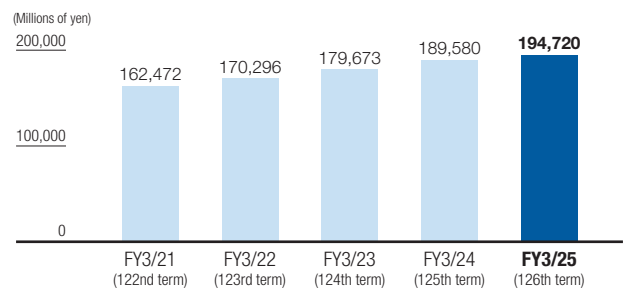
No. of employees (consolidated, non-consolidated)



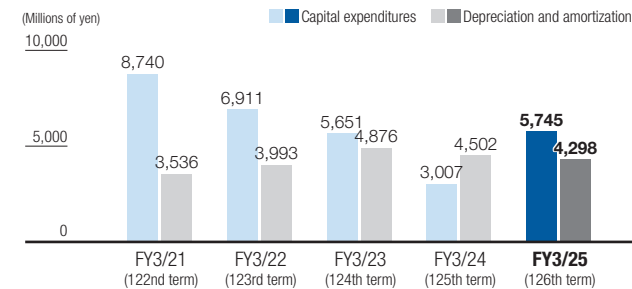
Operating profit, ordinary profit, profit attributable to owners of parent (consolidated)



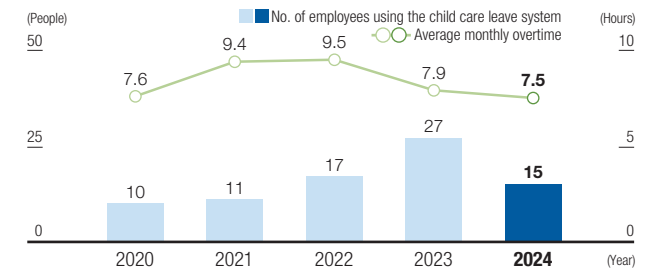
Shareholders' equity (consolidated)



Capital expenditures, depreciation and amortization (consolidated)

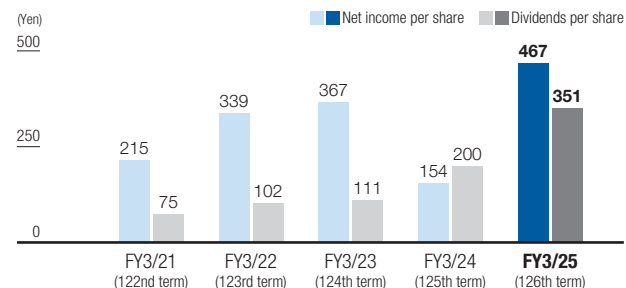


No. of employees using the child care leave system, average monthly overtime* (non-consolidated)

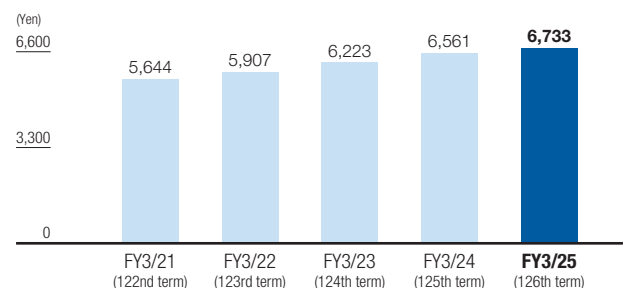


*Regular employees only

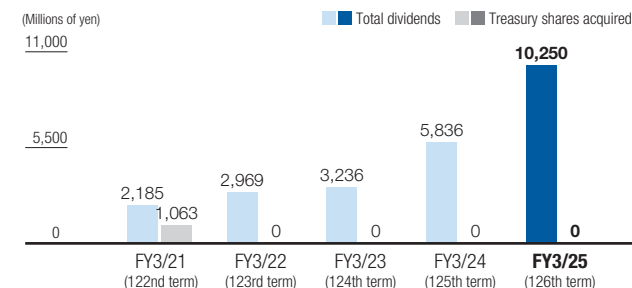
Net income per share, dividends per share (consolidated)



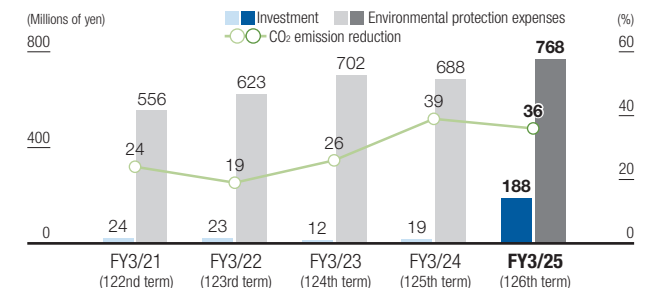
Net assets per share (consolidated)



Total dividends, treasury shares acquired (non-consolidated)



Environmental protection expenses, CO₂ emissions (reduction vs. fiscal 2013 emissions*) Consolidated (Japan)



*Yodogawa Steel started applying Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) at the beginning of the fiscal year that ended in March 2022. Significant financial indicators for the fiscal year that ended in March 2021 have been revised to incorporate this new standard.

*The Japan Iron and Steel Federation is currently implementing an action plan for achieving carbon neutrality. During phase II, which goes from FY2021 to FY2030, the emphasis is on energy conservation. The goal is to use these measures to cut CO₂ emissions from energy production by 30% compared with the FY2013 level. These figures are based on the preliminary data shown on pages 26 and 27.

We will create a new YODOKO centered on the theme of “Challenge and Change.”



I am Eiichi Tanaka, the new president of Yodogawa Steel. I joined this company in 1985. I started with 26 years in sales operations and then moved to corporate planning. Next, I became the president of PCM PROCESSING (THAILAND) Ltd. (PPT) in Thailand and then Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS) in China. The many relationships I established during these years are one of my most important accomplishments. I have been at Yodogawa Steel for about 40 years. I strongly feel that this is a company that operates businesses diligently and with sincerity. We are currently implementing our Medium-Term Management Plan 2025. Market conditions are difficult in Japan and other countries. Our first goal is to reach this plan's targets by maximizing earnings while optimizing the use of capital. As we look ahead to our 100th anniversary and beyond, every company in the Yodogawa Steel Group is firmly committed to building a base for sustained growth and even higher corporate value.

Eiichi Tanaka, President and Representative Director

Q Please explain your goals for the new Yodogawa Steel now that you have reached the 90th anniversary and are looking ahead to the centennial.

A We have established a new corporate philosophy and logo. In addition, we will soon change our name to YODOKO.

First, I want to thank our shareholders and all other stakeholders for their support that enabled us to reach our 90th anniversary. We are also very grateful for the hard work of our predecessors at Yodogawa Steel over the years.

When we celebrated our 90th anniversary in January 2025, we announced the new corporate philosophy: “Make people, communities, and the future bloom. With innovative thinking and trusted capabilities, we make people’s ideas a reality.” Our new philosophy is a compass that clearly defines our identity and provides a guideline for consistent growth between now and our 100th anniversary and in the following years. I believe that our purpose is to transform this philosophy into actual business activities.

When we announced the new corporate philosophy, we announced a new logo and a change in our name from Yodogawa Steel to YODOKO starting on October 1, 2025. These changes express our determination to take on new challenges, including new business categories for our group. We are also aiming for more growth in the value of our corporate brand.

In late January 2025, we started airing a TV commercial nationwide with the title “Osamaruna YODOKO (Think outside the box. YODOKO).” Singer and actor Takuya Kimura is featured as a brand ambassador. The commercial tells people that we are a manufacturer that

seeks new challenges with no restrictions due to our past or what everyone thinks. We have received many positive responses and the impact was even greater than we anticipated. The commercial helped make YODOKO known throughout Japan and further motivated our people. The reaction on SNS shows that the commercial may help us with our recruiting activities too.



Last scene of the TV commercial



More information about the new corporate philosophy and logo is on page 24.

Q Please give us a summary of business activities results of operations in the fiscal year that ended in March 2025.

A Sales and earnings were higher as we targeted new sources of demand even as the business climate remained challenging in Japan and other countries.

Although the Japanese economy recovered slowly during the fiscal year that ended in March 2025, the recovery remained lackluster in part because of soft consumer spending as inflation prevented real wages from increasing.

Looking at the world economy, in the United States, the economy remained healthy but became increasingly uncertain late in the fiscal year due in part to tariff revisions by the new Trump administration. In China, the economy continued to be held down by the prolonged real estate sector downturn and other events. However, economic stimulus measures by the government produced improvements in some areas of the economy. In Europe, although there were expectations for an economic recovery as interest rates declined with inflation, the recovery was sluggish because of political instability, the rising cost of energy and other factors.

In the steel industry in Japan, orders and production remained sluggish. Residential construction and machinery orders were still weak due to factors such as high material prices and a shortage of human resources. In addition, there were slower automobile production. In overseas steel markets, crude steel output in China remained high even as domestic demand was flat because of the prolonged real estate sector downturn and steel prices were weak as a result. Furthermore, concerns and vigilance are also growing over global

trade friction because of China’s excessive exports, tariff revisions by the new U.S. administration and other events.

Under these circumstances, in Japan, sales decreased despite activities to set appropriate prices for products that can be reproduced. Sales were impacted by weak demand for steel in Japan, lower prices for steel products and other factors. Overseas, sales were higher at Sheng Yu Steel Co., Ltd. (SYSCO) in Taiwan due to an increase in the sales volume in Taiwan. At Yodogawa Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS) in China, sales decreased due to the prolonged downturn of the real estate market. At PCM PROCESSING (THAILAND) Ltd. (PPT) in Thailand, sales decreased due to a decline in selling prices resulting from soft market conditions. As a result, consolidated sales were higher than in the previous fiscal year.

In Japan, operating profit increased mainly because of sales activities for steel sheet products placed emphasis on sales of pre-painted steel sheets and other value-added products. Overseas, earnings at SYSCO decreased due to a decline in selling prices despite a higher sales volume in Taiwan. At YSS, there was a small



SYSCO Taiwan

improvement in operating profit because of the prolonged real-estate recession in China. At PPT, earnings increased as reductions in procurement expenses more than offset a decline in selling prices. Consequently, consolidated operating profit increased. The Yodogawa Steel Group’s net sales in the fiscal year increased 4,503 million yen to 208,460 million yen. Operating profit increased 1,871 million yen to 13,889 million yen, ordinary profit increased 6,348 million yen to 21,551 million yen, and profit attributable to owners of parent increased 9,043 million yen to 13,499 million yen.

Q What are the major new activities and new products of the fiscal year that ended in March 2025?

A A new storage shed with new ideas for comfortable living generated a very positive response.

On April 1, 2024, Yodogawa Steel, SEKINO KOSAN CO., LTD., and Sadoshima Corporation established Y.S. PANERIO CO., LTD. The main activities of this



YODO Monooki Elmo KOTO OKI storage series with MURASAKI SPORTS
*Designs are under development and may differ from actual specifications.



The Yodogawa Steel booth at Exterior & Garden Fair Nagoya 2025

company are the production and sale of high-performance exterior building materials and a small business for system-built houses.

We added several innovative products in the storage shed category of exterior products. One is the Mickey Mouse model of the YODO Monooki Disney Series which debuted in June 2024. In September 2024, we used our collaboration with the Coleman brand to start selling the YODO Monooki Elmo Coleman model and the YODO storage box Coleman model.

In the summer of 2025, we will start accepting orders for the YODO Monooki Elmo KOTO OKI storage series with MURASAKI SPORTS . This storage shed uses collaboration with Murasaki Sports Co., Ltd., which designs, imports and sells sporting goods and casual apparel. Another highlight is our announcement of the joint development of a garage with MODELLISTA, the body kit and accessory brand of the Toyota Group. These new products were the basis for measures to incorporate attractive and innovative designs in our core lineup of basic storage sheds. I believe these

designs will help raise the sales volume of these sheds. I also want to mention that the five models of YODO Monooki Black Esumo, a small-scale storage shed featuring a blackened main body that was launched in January 2025, has been very successful.

Q What is your assessment of progress during the second year of the Medium-Term Management Plan 2025 – Link to the Future?

A We are considering numerous activities as we look ahead to our 100th anniversary. These activities will begin with the fiscal year ending in March 2026.

In our existing businesses, our objectives were maximizing production and sales. However, due to changes in the market for steel products, we have shifted from volume-based growth to priority on maintaining current prices of products that can be reproduced. Imports to Japan of inexpensive materials, chiefly galvanized steel sheets, are increasing. We responded by a strategy of maintaining our profitability. As a result, our earnings were generally as planned even though monetary sales and the sales volumes of some products were less than planned. For taking on the challenge of entering new business fields, there was some progress during the fiscal year. One significant event is the establishment of Y.S. PANERIO with SEKINO KOSAN and Sadoshima as mentioned earlier. In terms of strengthening business alliances and actively considering M&As, we announced the start of studies concerning the establishment of a strategic alliance involving steel sheet building materials with JFE Steel Corporation and JFE Galvanizing & Coating Co., Ltd. in April 2025.



Drawing of the planned Gifu Plant of Y.S. PANERIO

Becoming more competitive and establishing an even more powerful position in the steel sheet building material market in Japan are the main objectives. The three alliance partners will consider joint business activities, such as mutual supply of materials utilizing their production lines and collaboration in the development of value-added galvanized steel sheets, backed by their expertise concerning technologies, manufacturing, and locations of business sites.

Q Finally, what is your message to stakeholders?

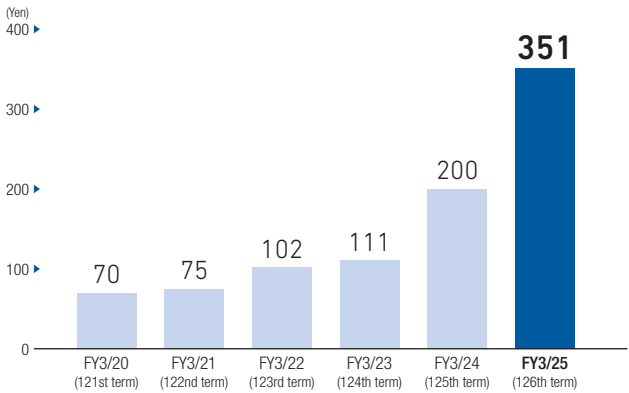
A We are an organization constantly taking on many new challenges in accordance with the theme of “Challenge and Change” that underpins all our activities.

The outlook for the business climate for our group has never been more uncertain. Nevertheless, we are determined to continue growing despite the difficult market conditions. Accomplishing this goal will require an intent focus on the theme of “Challenge and

Change” as we start many initiatives in existing and new business categories. These initiatives include activities by our individual business units. Furthermore, we plan to establish strategic alliances that can produce benefits for our entire group. We will also use M&A as needed to make our profit structure even more robust. We must create a corporate culture that encourages people to tackle challenges with no fear of change. People must not adhere to previous ways of thinking. This is why we need strong lines of communication within our group. I will place importance on using frequent communications with stakeholders to build sound relationships backed by mutual trust. We are well aware of the current challenges we face. Everyone at our group is working together for the accomplishment of our goals one by one. I am convinced that we have the strengths required for a bright future as an organization that everyone in our group can be proud of belonging to and that can earn

the trust and meet the expectations of people outside our group worldwide. For shareholder distributions, we plan to pay a dividend of 351 yen per share for the fiscal year that ended in March 2025. This is the sum of a 100 yen first half dividend and a 251 yen year-end dividend. We will conduct a 1-to-5 share split on July 1, 2025. This will make our stock more accessible for shareholders and other investors as well as increase the liquidity of our stock and further expand our investor base. Finally, I want to thank our shareholders and all other stakeholders for your understanding and support.

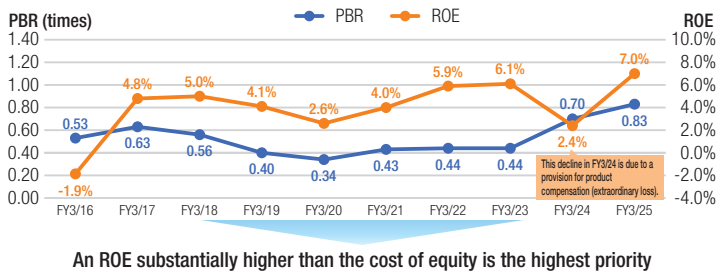
Dividends per share



Actions to Implement Management that is Conscious of Cost of Capital and Stock Price

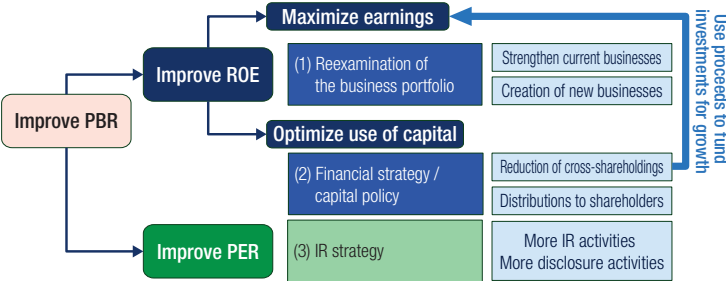
Analysis of Current Situation: PBR and ROE

- PBR: 0.83
⇒The PBR is at the highest point during the past 10 years as the stock price moved up due to earnings growth and increasing distributions to shareholders. However, the PBR is still below one.
- ROE: 7.0%
⇒FY3/25 sales and earnings were higher than one year earlier, achieving in advance an ROE target of 7% for FY3/26. Speeding up activities to further increase the return on capital.



Basic Stance for Increasing the PBR

- Yodogawa Steel maximizes earnings by reexamining its business portfolio and optimizes capital use by reviewing its capital policy. The goal is an ROE higher than the cost of equity.
- Although the ROE target for FY3/26 is 7%, this is not yet high enough in relation to the cost of equity. In the 4th Medium-Term Management Plan, which begins in FY3/27, the goal is an ROE of at least 8%.



Medium-Term Management Plan 2025 Targets

- Some targets in the Yodogawa Steel Group Medium-Term Management Plan 2025 have been revised to reflect actions for management with emphasis on the cost of capital and stock price.

[Initial Targets]		
	Period	Objective
Consolidated operating profit	Every fiscal year	At least 10 billion yen
ROE	FY3/26	5% or more
Capital expenditures	Three-year total	20 to 25 billion yen
Distributions to shareholders	Every fiscal year	Annual dividend of at least 50 yen Consolidated payout ratio of at least 30%
Criteria for treasury share ownership	—	—
Reduction of cross-shareholdings	—	—

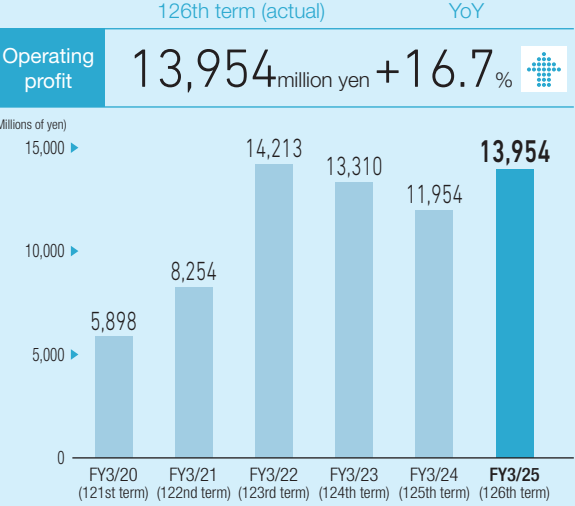
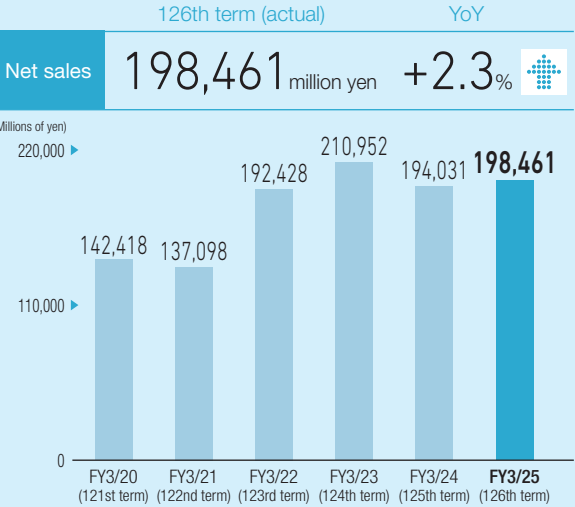
[New Management Targets]		
	Period	Objective
	FY3/26	At least 13 billion yen
	FY3/26	7%
	Three-year total	20 to 25 billion yen
	Every fiscal year	Annual dividend of at least 200 yen Consolidated payout ratio of at least 75%
	Every fiscal year	About less than 10% of the total number of outstanding shares
	Medium-term plan period (3 years)	Reduction rate: 30% equivalent Reduction amount: About 8.4 billion yen

Progress

Activities for increasing corporate value

- Renewal of the corporate philosophy
 - We celebrated our 90th anniversary on January 30, 2025, with the announcement of a new Yodogawa Steel Group corporate philosophy: "Make people, communities, and the future bloom." The corporate philosophy was revised to function as a compass for measures to become an even more powerful company and organization that can adapt to changes and to constantly take on new challenges for more progress as we look ahead to our 100th anniversary and the following years.
- New trade name and logo design
 - The decision has been made to change the company's name from Yodogawa Steel Works to YODOKO in conjunction with the start of the new corporate philosophy.
 - A new logo expresses the spirit of the corporate philosophy "make people, communities, and the future bloom." The change to YODOKO is to take place, with the start of use of this new logo, on October 1, 2025.

Steel Sheet-Related Business



Steel Sheet Segment

Performance in the year ended March 31, 2025

- The sales volume of galvanized steel sheets to specific high-demand customers in Japan decreased because imports of inexpensive materials are continuing. There was a small increase in the sales volume of pre-painted steel sheets as higher sales for sheets used in air conditioners due to a hot summer offset the downturn in demand for sheets used in home appliances. The market for building materials was challenging due to the low level of housing starts and other reasons. However, we were able to raise the sales volume by adding more categories of demand at existing customers and adding new customers.
- In the general distribution category in Japan, the business climate was difficult throughout the fiscal year because of the decline in building construction demand. In the first half of the fiscal year, sales were up as customers rushed to place orders before our second half price increases. As a result, fiscal year monetary sales and the sales volume in this category were higher than in the previous fiscal year.
- In Taiwan, SYSCO increased its market share by creating new applications and more sources of demand mainly for galvanized steel sheets. The result was a larger sales volume in Taiwan. The sales volume of exports increased due to stronger relationships with customers and revisions of selling prices. At YSS in China, the sales volume was down as construction projects were postponed partly because of lower demand and intense price-based competition. In Thailand, PPT held its sales volume steady despite a small decrease from the previous fiscal year in the volume of products sold to electrical appliance manufacturers.

Outlook for the year ending March 31, 2026

- The slow recovery of the Japanese economy is expected to continue with the support of an improvement in consumer sentiment due to wage hikes and other factors. The building construction sector will probably remain sluggish because of the negative effects of the labor shortage and the rising cost of building materials.
- Our goals are to increase our market share by using sales activities closely linked to the operations of current customers and to add new customers.
- Market conditions for our group companies outside Japan are expected to be difficult due to growing U.S. trade protectionism by the Trump administration and other factors. In Taiwan, SYSCO aims to remain profitable by continuing to add new technologies and focus sales activities on overseas market categories that require high quality. In China, YSS plans to improve earnings by increasing sales of value-added products and products clearly unlike those of our competitors. In Thailand, PPT is aiming for another year of sales and earnings growth by focusing on increasing sales of high-end steel sheets, which have high profit margins.



An exterior product (shutter) using Yodoko steel sheets



An electrical appliance using Yodoko steel sheets

Building Materials & Exterior Products Segment

Performance in the year ended March 31, 2025

- In the building materials sector, the sales volume decreased. The first half sales volume increased because customers rushed to make purchases prior to the second half price hikes and there were several orders for large projects. In the second half, the sales volume declined as construction plans were revised and postponed in response to the labor shortage and other problems.
- In the exterior products sector, consumer spending was flat as people wanted to hold down spending due to inflation. Demand in the public sector and at companies for our storage sheds increased for storing various types of materials and equipment. As a result, sales of large products with high profitability remained strong.
- Construction sales decreased because the size of new buildings is falling and some new projects were cancelled in response to the rising cost of construction.

Outlook for the year ending March 31, 2026

- Our activities involving building materials must reflect the negative effects of the rising cost of these materials and the labor shortage. In the next fiscal year, we anticipate a cyclical low point for demand. We expect strong demand for strong roofing materials (YODO Roof 157 Secure) that can withstand natural disasters. We are working on raising sales by using PR activities for selling roofing materials and fire-resistant panels as a unified package. Another goal is selling roofing and wall materials together by upgrading activities involving system-built houses.
- For exterior products, the demand for storage sheds is likely to remain low for a while due to the downturn in consumer spending. One goal is maintaining the current sales volume by adding black Esumo models, which reflects the rising popularity of dark-colored steel sheds, and increasing the number of sheds displayed at stores. Our goal is sales volume growth by increasing the lineup of products using collaborations with companies in other industries and by developing value-added products based on creative and innovative concepts.
- In the construction sector, the business climate is difficult as the labor shortage causes postponements of projects. Demand is firm in the large urban redevelopment project and data center categories. We are participating in the construction of the Osaka IR (an integrated resort and entertainment project), arenas and other large projects to raise awareness of our brand. These activities contribute to earnings growth and our sales of high-performance, value-added products.

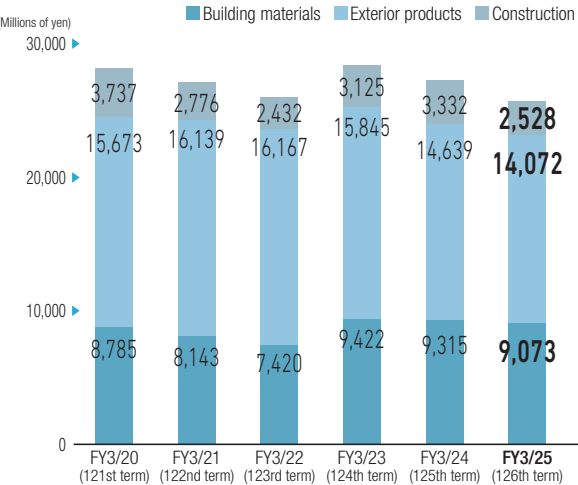
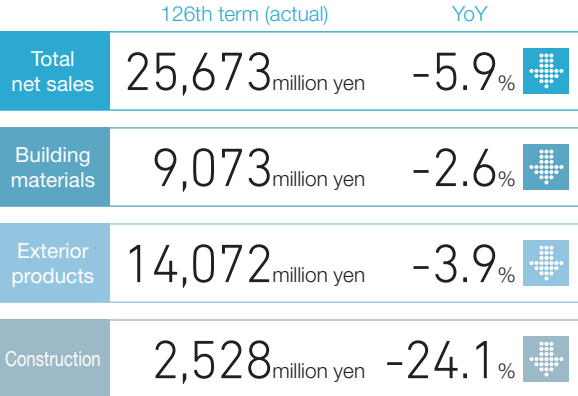


A building with YODO fire-proof panel Grand Wall (Main building of TOYOTA MEMORIAL HOSPITAL)



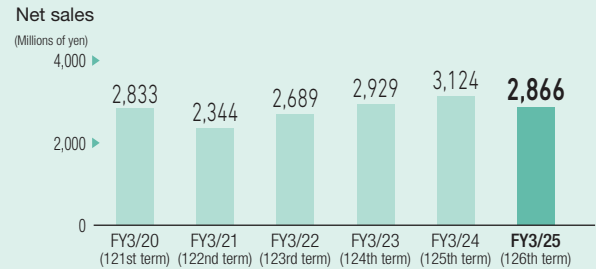
YODO Monooki Storage Shed Esumo

Reference Building Materials & Exterior Products Segment (Yodogawa Steel, non-consolidated)



Roll Business

	126th term (actual)	YoY
Net sales	2,866million yen	-8.3%
Operating profit	43million yen	-20.8%



Performance in the year ended March 31, 2025

- Orders for steel rolls by steelmakers were lower mainly because the smaller number of automobiles made in Japan reduced the production in Japan of steel sheets. However, selling prices were higher as we raised prices to pass on the rising cost of raw materials.
- In other market sectors, orders recovered because some papermakers started replacing rolls following a period when these companies had suspended all replacements.

Outlook for the year ending March 31, 2026

- There is uncertainty about the demand for rolls in the steel industry because major customers may lower output because of global instability. We will continue focusing on capturing orders and improving selling prices.
- In other market sectors, although demand for rolls at papermaking companies is remaining low, we will place priority on revising selling prices and receiving orders. Furthermore, as in the previous fiscal year, there are many activities to receive maintenance orders to generate sales.
- Planning on capturing market share as customers build new production lines.
- Many sales activities outside Japan chiefly for sales of rolls for heavy plate rolling, which have high profit margins.

Performance in the year ended March 31, 2025

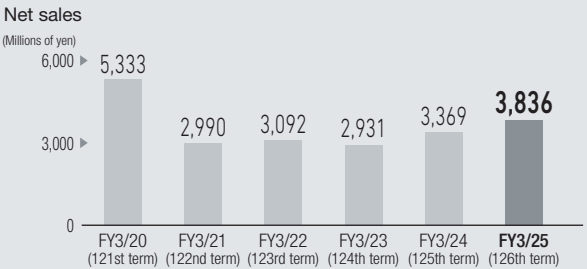
- In the public sector, the number of new highway projects decreased as governments increased emphasis on disaster readiness projects as their overall public-works budgets were the same as in the previous fiscal year. Furthermore, the sales volume decreased because of construction project delays and cancellations caused by the Noto Peninsula earthquake, heavy rain, record-setting cold weather during the winter, and other events.
- In the current difficult business climate, one priority is adding new channels for orders in market sectors other than highways. These activities resulted in large orders and orders for floor gratings involving airports, waste treatment facilities, railway projects delayed by the pandemic, and other projects that enabled the grating business to be profitable.

Outlook for the year ending March 31, 2026

- The volume of public-works projects is expected to be unchanged but the highway sector will probably decline again. Private-sector demand is not expected to recover. As a result, the goal in this business is to generate sales by adding sales channels in market sectors other than highways where highly profitable products can be sold.
- The high cost of materials and the labor shortage continue to create challenges for private-sector construction projects. As companies continue to make substantial capital expenditures, demand involving small and midsize construction projects for warehouses, distribution centers and other facilities is expected to be firm.
- In market sectors other than highways, activities to receive new orders will use cooperation with railway-affiliated trading companies to focus on large projects involving defense, airports and harbors, and niche markets like paint spray booths.
- Increase earnings by raising the pct. of sales from high-margin products in this category while raising sales of highly profitable OEM products.

Real Estate & Other Businesses

	126th term (actual)	YoY
Net sales	3,836million yen	+13.9%
Operating profit	1,375million yen	+15.2%



Performance in the year ended March 31, 2025

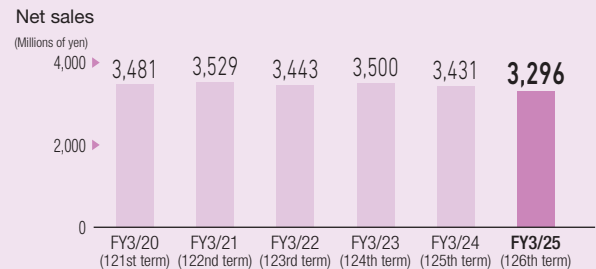
- In the Real Estate Business, occupancy rate at tenant-occupied buildings was about the same as in the previous fiscal year.

Outlook for the year ending March 31, 2026

- Effectively utilizing properties remains the priority of the Real Estate Business.
- We plan to increase profitability in the Real Estate Business by utilizing properties in the most effective manner possible.

Grating Business

	126th term (actual)	YoY
Net sales	3,296million yen	-3.9%
Operating profit	100million yen	-51.5%



Topics

Launch of YODO Monooki Black Esumo Storage Shed, a small-scale shed featuring a blackened main body

On January 30, 2025, sales started for the five new models of YODO Monooki Black Esumo Storage Shed, a small-scale storage shed made of galvalume steel sheets and featuring a new color for main body. The main body has a black matte finish with a leather texture for a chic appearance. The interior, ceiling, shelves, columns and floor are all black. The three doors that provide easy access to the interior are available in three luxurious wood-grain colors created by using our steel sheet printing technology. Three subdued colors are also offered to allow selecting the best look to match the unit's surroundings. The woody marron color used for the doors is limited for Black Esumo Storage Shed.

For more information, please click the link below.
Website for the YODO Monooki Black Esumo Storage Shed
https://www.yodomonooki.jp/black_esmo/



▲Rendering of installed YODO Monooki Black Esumo Storage Shed (ESF-1809A-BK/WM)



SYSCO Taiwan

Trade name	: Sheng Yu Steel Co., Ltd.	Location	: Kaohsiung, Taiwan R.O.C	Established	: May 1973
Chairman of the Board	: Koichi Tarumiya	President	: Johnson Hung	Paid-in capital	: NT\$ 3,211.8 million
Business activities	: Steel sheet manufacturing and sales		Number of employees	: 501	

Performance in the year ended March 31, 2025

- Although the size of the market in Taiwan is declining, the sales volume in Taiwan increased mainly for galvanized steel sheets because of market share gains resulting from successful activities to add new applications and sources of demand.
- The sales volume of exports was unchanged despite intense price-based competition in Asian countries. In North America, the sales volume increased even as U.S. trade protectionism continued due to stronger relationships with customers and revisions of selling prices.

Outlook for the year ending March 31, 2026

- The business climate is expected to remain difficult because of growing U.S. trade protectionism by the Trump administration and increasing expenses for measures to achieve carbon neutrality.
- Our goal is consistent earnings growth that is not vulnerable to changes in market conditions by further increasing the quality of pre-painted steel sheets, adding new technologies, strengthening relationships with customers and taking other actions.



YSS China

Trade name	: Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd.	Location	: Anhui, China	Established	: October 2011
Chairman of the Board and President	: Atsushi Nakatani	President	: Shigeto Sakai	Paid-in capital	: USD 220 million
Business activities	: Steel sheet manufacturing and sales		Number of employees	: 244	

Performance in the year ended March 31, 2025

- As demand for steel in China remains low, profit margins narrowed because companies are competing by reducing prices. Although there was a small recovery in construction projects during the fiscal year's second half, the fiscal year sales volume was down because of construction project delays in the first half.

Outlook for the year ending March 31, 2026

- Anti-dumping examinations by many countries concerning China's steel product exports are expected to have a negative impact on the growth rate of these exports in 2025.
- Forecast a continuation of a challenging business climate as there is still no end in sight for the prolonged real estate sector downturn.



PPT Thailand

Trade name	: PCM Processing (Thailand) Ltd.	Location	: Amata City Chonburi	Established	: April 1999
Representative	: Yasushi Taniguchi		Industrial Estate	Paid-in capital	: THB 1,377.259 million
Business activities	: Pre-painted steel sheet manufacturing, steel sheet processing and sales		Number of employees	: 111	

Performance in the year ended March 31, 2025

- The sales volume of steel sheets used in the core categories of electrical appliances (refrigerators, washing machines, microwave ovens) and AC outdoor units was steady despite a slight decline from one year earlier. There were activities to maintain appropriate prices in order to remain profitable.

Outlook for the year ending March 31, 2026

- The large volume of sales of inexpensive products and materials made in China is having a negative impact on the recovery of demand in the Southeast Asian markets. All countries in this region are stepping up protective measures. PPT is taking actions to maintain margins on its products while constantly monitoring changes in market conditions.

Topics

A new corporate philosophy and logo as we reached our 90th anniversary

1_ The new corporate philosophy

The corporate philosophy was revised to function as a compass for measures to become an even more powerful company and organization that can adapt to changes and to constantly take on new challenges for more progress as we look ahead to our 100th anniversary and the following years.

Yodoko Group Corporate Philosophy

Corporate Philosophy

**Make people, communities,
and the future bloom.**

With innovative thinking and trusted capabilities,
we make people's ideas a reality.

Our most important values

Challenge	We value continuing to grow and take on new challenges together with our employees.
Quality	We provide high-quality products and services that satisfy our customers.
Integrity	We observe laws and ethics so that we may continue to be a trusted organization.
People	We respect diversity and seek to ensure people's safety, security, and happiness.
Coexistence	We live in harmony with the Earth, society, and local communities.

Action Guidelines

1. We are unafraid to change and take on new challenges
2. We do our best
3. We work together with our colleagues as a team
4. We learn and grow together
5. Individual action guidelines (we create our own individual action guidelines)

2_ The new logo

Along with the renewal of the corporate philosophy, we unveiled new logo designs that express the spirit of the new corporate philosophy: "Make people, communities and the future bloom." The new logos are scheduled to begin use on October 1, 2025.

The new logo



The logo's design carries on the *sakura* (cherry blossom) motif that was adopted during the 1950s as the symbol for the brand used for our steel sheets and has been used as a corporate symbol. The progression from a small to a full cherry blossom petal expresses our determination to open up the future as we grow. The circular upward path of this blossoming represents how we use creativity and new challenges to add more ways to grow and advance.

Stock split

We plan to conduct a 1-for-5 common stock split on July 1, 2025. For more information about this split, contact the securities company where you have an account or the Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd., which is the shareholder registry administrator of Yodogawa Steel.

Contact

Mizuho Trust & Banking Co., Ltd.
Stock Transfer Agency Department
Tel : 0120-288-324 (toll free in Japan)
Business hours: 9:00-17:00 (weekdays,
excluding weekends and public holidays)

Dedicated to coexisting with all of our stakeholders, we are constantly strengthening ESG activities.

By creating value through the Yodogawa Steel Group's core goals of safety, security, environment, and beauty, we are dedicated to accomplishing the Long-Term Vision of coexisting with all of our stakeholders and contributing to achieving a sustainable society.



Environment

Basic Environmental Principles

Contribute to the preservation of the environment. Conduct business with respect for the natural environment.

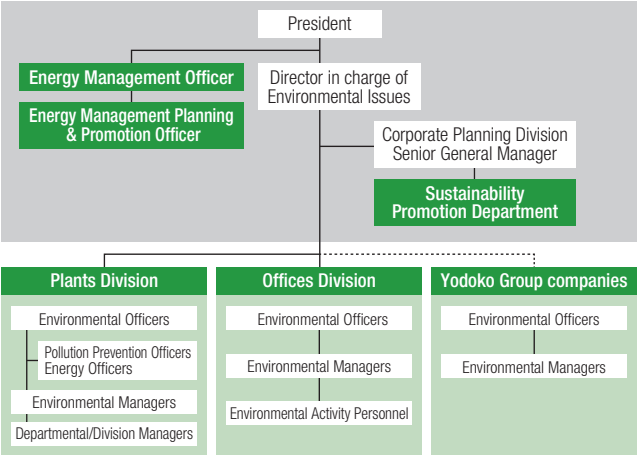
Basic Environmental Guidelines

- 1. Instill awareness of environmental preservation
Provide our employees and partner company employees with environmental education to increase awareness of environmental preservation and instill an action-oriented mindset.
- 2. Ensure consideration for the environment in our business activities
 - 1) In all of our business activities, we minimize the environmental impact while preventing pollution, conserving resources, reducing energy use, streamlining logistics, and reducing and recycling waste. (Preventing pollution: compliance with environmental laws and standards)
 - 2) Minimize the environmental impact of waste materials when developing products by improving durability, reusing materials, and utilizing materials that are easy to recycle.
- 3. Establish internal organizations
In order to pursue these objectives, strengthen environmental management organizations at the head office and all business sites, while also implementing environmental preservation activities.

Environmental Management System

Under our Basic Environmental Principles, we are advancing initiatives to reduce our environmental impact. We created the Yodoko Environmental Management System to address regulations and requirements for protecting the environment while increasing the speed and breadth of these activities. We established an Environment Committee with the President as chairperson. Other members are the director in charge of environmental issues and the environmental officers of every division. This committee handles overall decisions on fundamental matters concerning the environment. Additionally, the committee regularly holds Yodogawa Steel Group communication meetings to ensure widespread awareness of environmental issues and initiatives.

Yodoko Environmental Management System



ISO 14001 Certified Business Sites

Our three steel sheet plants in Japan and the plants of three consolidated subsidiaries overseas have environmental preservation activities to minimize the environmental impact of their operations. All of these plants have received ISO 14001 certification as part of efforts to manage and improve these activities.

Business site	Date certified	Examining/certifying agency
Ichikawa Plant	June 2000	JICQA
Osaka Plant	December 2000	
Kure Plant	December 2000	
Sheng Yu Steel Co., Ltd. (Taiwan)	December 1997	DNV-GL
Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd. (China)	December 2015	SGS
PCM Processing (Thailand) Ltd.	November 2013	UKAS

Purpose and objectives of environmental activities

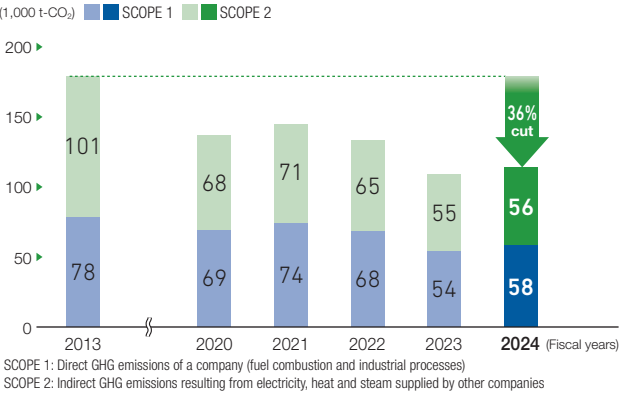
Combat global warming	Reduce CO ₂ from manufacturing
	Reduce CO ₂ from transport activities
Create a recycling-oriented society	Reduce the use of resources
Reduce environmentally harmful substances	Reduce VOC emissions
	Reduce usage of toxic chemicals
	Environmentally conscious product and technology development
Consideration for the environment	Contribute to communities
	Rigorous risk management

Combat Global Warming

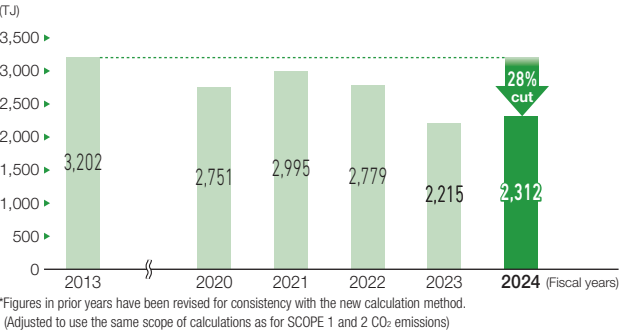
Yodogawa Steel is a participant in the Carbon Neutrality Action Plan of the Japan Iron and Steel Federation, which has the goals of combating global warming and conserving energy. For manufacturers, activities include updates of equipment for raising efficiency and improving business operations and using LED lights for peripheral equipment and other energy-efficient items. For logistics, our activities include shifting to rail and marine transport and raising cargo capacity utilization on trucks and other modes of transportation. We are also encouraging offices to moderate room temperatures (28°C in summer and 20°C in winter) and to use the “Cool Biz” (avoiding business suits in summer) and other energy-saving programs.

The plants in Ichikawa, Kure, Osaka and Izumiotsu and Fukui Yodoko use electricity generated by using renewable energy sources. In the fiscal year ended March 2025 (FY2024), the Osaka and Kure Plants also started internal use of electricity produced by newly installed solar panels at these plants. More activities are planned for energy conservation and the use of electricity from renewable energy to lower CO₂ emissions. In FY2024, we cut CO₂ emissions by 36% and energy consumption by 28% (both vs. FY2013) partly due to energy conservation and the use of electricity from renewable energy.

CO₂ emissions Consolidated (Japan)

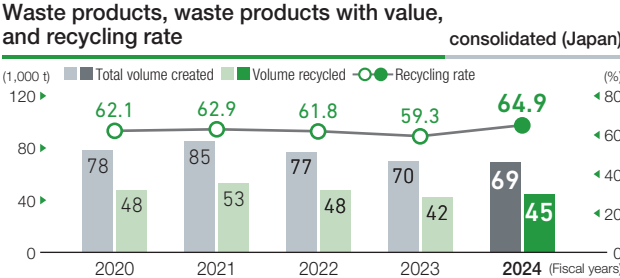


Energy consumption Consolidated (Japan)



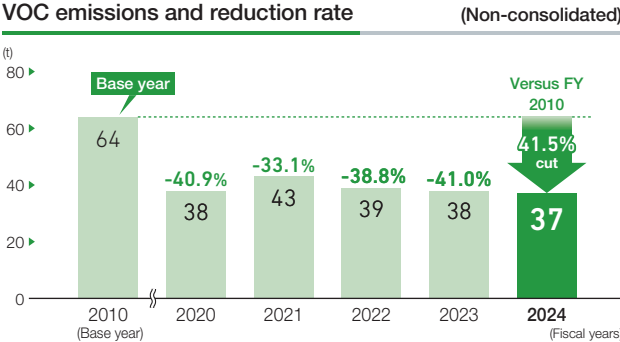
Create an Environmentally Recycling-oriented Society

The Yodogawa Steel Group in Japan is reusing as resources the waste products created during production activities. Sludge is recycled as a raw material for cement or utilized for its metal content and used oil is recycled or used for supplemental fuel. Slag is used for roadbed base layers. In FY2024, our total volume of waste materials was 69,000 tons. The recycling rate was 64.9%.



Reduce Environmentally Harmful Substances

Yodogawa Steel participates in the Voluntary Action Program of the Japan Iron and Steel Federation. We have adopted the program's goal of not allowing emissions to exceed FY2010 levels and we are lowering our VOC emissions. To date, we have taken steps including upgrading the deodorizing apparatus on our pre-painted steel sheet production lines and lowering FY2024 VOC emissions to 41.5% below the FY2010 level.



Economical Utilization of Clean Energy

On the roofs and grounds of our Osaka, Izumiotsu and Himeji Plants, and at group companies, we have installed solar power generation systems that produced approximately 5,881 MWh of electricity in FY2024. This solar power generation reduces annual CO₂ emissions by about 2,448 tons.



Solar power generation system at the Izumiotsu Plant

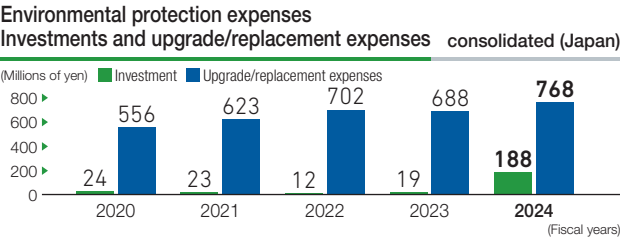
Environmental Accounting

We keep track of environmental protection expenses as an indicator that helps us efficiently carry out environmental protection initiative. We are committed to reducing our environmental impact so that we do not harm the environment through our business activities.

In FY2024, environmental investments totaled 188 million yen, including installation of solar panels that supply electricity, preliminary sluice gates to prevent the release of wastewater and other expenditures.

Total environmental upgrade/replacement expenses in FY2024 were 768 million yen, consisting of 18% for air pollution prevention, 26% for water contamination prevention, and 21% for processing industrial waste. These expenses were mainly for preventing pollution and recycling resources.

Note: FY2024 numerical environmental data on pages 26 and 27 are preliminary figures.



Topics

Solar power system to supply electricity used by the Kure Plant



We are installing solar power facilities that generate electricity for internal use. A solar power system is operating at the Osaka Plant and another system began operating in October 2024 at the Kure Plant.

Electricity is generated by 162 solar panels. Annual production is expected to be approximately 75,478kWh, which is equivalent to an annual CO₂ emission reduction of about 40 t-CO₂.

We plan to continue increasing the use of solar power generation system to play a role in creating a carbon-free society.



CDP questionnaire “climate change” and “water security”



We started providing responses to the CDP*1 climate change category in 2023 and added responses about water security in 2024. Our climate change management level score in 2024 was B, which is one step higher than in 2023. In our first water security category assessment, we received a management level score of B-. Activities will continue to disclose more information about our environmental programs.

*1 Originally known as the Carbon Disclosure Project, the CDP is an international organization that started in Britain. More than 24,800 companies accounting for about two-thirds of global market capitalization and over 1,100 cities and regions used the CDP to disclose information. The CDP uses questionnaires to assign one of eight scores: A/A- is leadership, B/B- is management, C/C- is awareness, and D/ D- is disclosure.



Kyousei-no-Mori creation volunteer activities



Activities overseen by the Osaka prefectural government are under way in the city of Sakai to create a Kyousei-no-Mori (coexistence forest). Program participants are residents of the prefecture, non-profit organizations, companies and the public sector. This project has the goal of transforming a former industrial waste landfill site into a natural environment suitable for many types of plants and animals. About 20 years of these volunteer activities have produced clear improvements in the ecosystem. Due to the increase in biodiversity, the forest was certified in October 2024 as a Sustainably Managed Natural Site.

Volunteers from Yodogawa Steel have been helping with forest thinning, planting trees and other activities since FY2022.

Volunteers participated in a festival on March 8, 2025, for planting trees and other activities.

The tree planting festival has taken place every year. In 2025, the event was renamed the tree raising festival because activities include planting tree seedlings as well as forest thinning and other activities.

► Preparing to plant seedlings



► Preparing the soil



► Placing seedlings in the ground



Our Products Help Solve Social Issues

Chromate-free Products
Reduce the Use of
Environmentally Harmful
Substances

Major related SDGs



Safety Security Environment

For our steel sheet products, we have been a pioneer in the development of chromate-free plates. These plates do not contain hexavalent chromium, which is an environmentally harmful substance, and therefore help us minimize the environmental impact of our products.

In 2005, we completely removed chromate from products for customers in the electrical appliance industry. In 2007, we became the first in our industry to start supplying chromate-free treated steel sheets for roofing and siding (brand name Eco Green) that can withstand severe weather.

A chromate-free pre-painted steel sheet for building exteriors, which was launched in January 2017, was developed based on the concept of long-term use that is friendly to people and the environment. The product's overall durability was improved by reevaluating the pre-painting process, coating, and other items. Its 25-year warranty against pitting has been very well received by customers. Going one more step, in January 2020 we started offering the 25-year warranty against pitting (must be at least 500 meters from a seashore) on all pre-painted steel sheets for exterior use.

As the pioneer of chromate-free treated steel sheets, we will continue to meet the demands of society and develop innovative products that can make an even greater contribution to reducing the environmental impact of these sheets.



A building with the YODO fire-proof panel Barrier Lock Hyper (Chromate-free specification)

Contributing to Global
Warming Prevention
through Insulation
Solutions

Major related SDGs



Safety Security Environment Beauty

YODO fire-proof panel Grand Wall Hyper and YODO sandwich panel Fine Panel Hyper, which are our core exterior wall products, increase heating and cooling efficiency with their superior insulation properties. Additionally, these products use a special steel sheet, based on a chromate-free pre-painted steel sheet for outstanding thermal insulation and resistance to soiling and staining. This results in a further reduction in this product's environmental impact. YODO fire-proof panel Grand Wall Hyper has received fireproof certification as a stand-alone exterior building material. This panel also has superior resistance to wind pressure and earthquakes as well as sound insulating qualities.

In recent years, with the growing awareness of environmental problems, customers are placing more emphasis on environmental performance when selecting products. The superior energy-saving features of our highly functional metal siding help fight global warming by reducing CO₂ emissions.



A building with YODO fire-proof panel Grand Wall (Office building of Kochi Broadcasting Co., Ltd.)

Use of Yodogawa Steel Products
for Disaster Preparedness and
Mitigation

Major related SDGs



Safety Security Environment

Awareness of disaster preparedness in Japan has been increasing because of a large number of earthquakes, typhoons and other natural disasters. Featuring thermal insulation and outstanding durability, YODO Monooki Storage Shed is an ideal way to be prepared. For convenience, we have created a storage shed lock that opens automatically without using a key during an earthquake with an intensity of at least about 6. Many options are available as well, such as partitions for using sheds for changing clothes, a toilet, a solar panel, a rainwater collection tank or other purposes.

In all areas of Japan, local government agencies, schools, condominium associations and other organizations are using our storage sheds as part of their measures to be prepared for disasters. We will continue to develop products and create new applications in order to contribute to safety, security, the environment, and beauty.



A YODO Monooki Erumo Storage Shed with a lock that automatically opens after a strong earthquake

Mechanical earthquake detector

Innovative Exterior Products for
Healthcare Facilities

Major related SDGs



Safety Security Environment

During the pandemic, there was a need for performing PCR and other COVID-19 tests at locations that are separate from other sections of a clinic or other healthcare facility. Separation allows performing many tests while preventing the spread of infections. In response to many requests for the use of our exterior products as COVID-19 testing rooms, we developed and started to sell a version for medical tests by adding a partition to the YODO Kura Storage Shed MD. This model is used as a smoking space and for many other purposes. Adding a partition facilitates testing with no direct contact between patients and healthcare personnel. There is also an option with an opening for the use of gloves when performing tests.

We are continuing to add applications for our storage sheds to create a safe and secure environment for testing and other procedures.



A partition with an opening for the use of gloves to perform tests

A YODO Kura Storage Shed MD configured for performing medical tests (donated to a hospital in Taiwan)

Social

Product Development Initiatives

R&D Philosophy

We are dedicated to the development of steel products with substantial added value for the purpose of contributing to more improvements in the social environment. This is our policy and our purpose. Progress involving technologies must continue as society becomes more diverse and advanced. Yodogawa Steel has the goal of achieving high-quality customer satisfaction by making our lives more convenient and comfortable through the constant provision to customers of substantial added value. We are determined to continue developing “only one” and “number one” products.

Creating value through business activities



Steel Sheet and Building Materials & Exterior Products Segments

We pursue a basic policy of emphasizing the customer’s ideas, developing differentiated products, ensuring safety and security, making products environmentally friendly and durable, and streamlining construction processes.

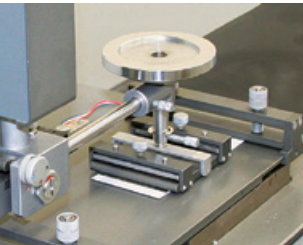
We manufacture two major categories of steel sheet products. The first category is steel sheets with specifications that meet the requirements of manufacturers of electric appliances and building materials. The second category is steel sheets that we sell through intermediaries for general-purpose building materials. Sheets in the first category precisely match every customer’s requirements and are produced by our technology development divisions at the Kure, Ichikawa, and Osaka Plants. Sheets in the second category are made in collaboration with each plant’s technology development division after research by the Head Office development division determines market needs. Our Head Office development division also handles the development of exterior products, building materials, and other processed products. By combining our steel sheet, exterior, and building material development divisions, we can organically link the technology and expertise of these divisions beginning from the product planning stage. This allows us to develop steel sheets with the ideal properties for processed products and develop processed products that fully utilize the properties of steel sheets. This development framework underpins our core strength, which is integrated production extending from steel sheets to finished products in order to ensure consistently high quality that allows people to use our products with confidence.

Steel Sheets

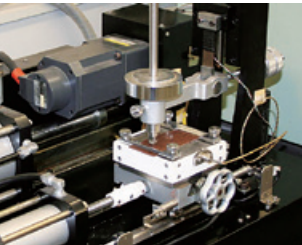
We believe that the mission of every company is to develop technologies and products that reflect changes in its markets and society. This is why we are constantly taking on new R&D themes and challenges. In the Steel Sheet Segment, R&D activities extend from surface-processing technologies to colors, shapes, safety and other characteristics of these sheets. To keep up with changing needs, we will continue to fabricate steel sheets while looking ahead to the next step of progress involving innovation, durability, functions and other properties.



Product Development Center (Osaka Plant)



A surface measurement instrument



Coefficient of friction testing unit

Building Materials and Exterior Products

We verify the performance of our building materials by using one of the most advanced testing facilities for this purpose in Japan. New products undergo tests before their release and we continue to verify safety and other properties of existing products too.

Main test equipment

- Fire resistance testing units (vertical and horizontal furnaces)
- Water seal and wind pressure resistance testing unit
- Rain and wind testing unit
- Hydraulic cylinder load testing unit
- Load testing units
- Door opening-closing testing unit
- Shutter opening-closing testing unit



Fire resistance testing unit (horizontal furnace)



Water seal and wind pressure resistance testing unit



Door opening-closing testing unit

Product Development Initiatives

Roll and Grating Businesses

Roll Business

The development division at the Osaka Plant develops rolls for section steel by having engineers and sales staff work together to meet customer demands and provide follow up support. We are developing systems for paper manufacturing rolls customized for Japanese clients through our business alliance with ANDRITZ Küsters GmbH, a global industrial machinery and process company based in Germany.



Test calendar machine for paper making (gloss finish)

Grating Business

The development division located in Izumiotsu Plant has created a database from diverse information on customer needs and many types of information from sales personnel. This division develops innovative products that are safe, durable, and aesthetically pleasing. We recently developed a type of grating that includes an insect growth inhibitor to function as an anti-pest barrier for gutters, ditches, and other locations.



Load testing

Overseas Subsidiaries

SYSCO's technology development division performs R&D for surface-treated steel sheets in order to quickly and precisely respond to diversifying customer demands and market needs. The technology development division's prototyping laboratory is the hub of this R&D and has acquired certification from the Taiwan Accreditation Foundation (an official certification agency), which ensures the quality and reliability of R&D programs. When evaluating the corrosion resistance, surface discoloration, and other properties of surface-treated steel sheets at the prototyping laboratory, we are developing products quickly by utilizing data from outdoor-exposure tests (to check weather resistance under realistic conditions) along with test data from various accelerated weathering testers.

A recent project is the development of highly durable Eco Green products (chromate-free Al-Zn alloy-coated pre-painted steel sheets for building materials) in order to withstand Taiwan's high heat and humidity as well as the extreme environments in export destinations.

We will further upgrade functionality, including improving scratch resistance and adding the self-cleaning features of PVDF pre-painted steel sheets (fluororesin pre-painted steel sheets), as we develop products that meet customer demands and market needs.



Condensation circulation-type carbon arc weathering tester



QUV weathering tester



Cyclic corrosion tester (CCT)



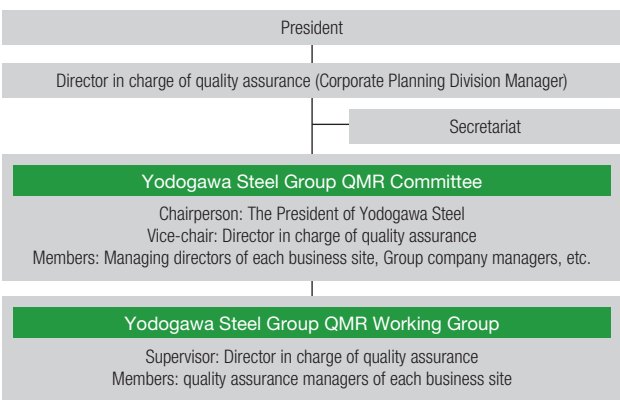
Exposure testing area, southern Taiwan (Kenting, Pingtung County)

Basic Policy for Quality Assurance

Based on the Yodogawa Steel Group Corporate Philosophy, and in order to meet customers' expectations and trust, we have established a quality management system in every business division. We operate these systems effectively and are constantly evaluating performance to seek ways to make improvements. Our highest priority is adhering to rules, such as laws, contracts with customers, and standards, while strengthening systems for preventing and identifying defects and inadequacies. Additionally, we have established a QMR* Committee and QMR Working Group tasked with strengthening the overall quality assurance framework of the Yodogawa Steel Group. Members of these cross-divisional organizations are the quality assurance managers of every division and group company. Duties involve ensuring compliance with Guidelines for Strengthening Quality Assurance Systems (stipulated by industry bodies), sharing and distributing quality-related information and examples of initiatives to address quality issues, and carrying out reciprocal quality audits among business sites.

*QMR: Quality Management Reinforcing

Yodogawa Steel Group Quality Assurance Framework



Human Resources Development for Sustainable Growth

Human Resources Development

Educational Policy

By training and educating our people, we are realizing part of our Corporate Philosophy, namely, to “take up the challenge to innovate and expand based on the individual creativity of every employee.”

Training Programs

We provide support for the career goals of our employees while upgrading their skills and motivation through on-the-job training, which is centered on daily tasks, and off-the-job training, which utilizes internal and external resources. Furthermore, we use online, e-learning, and other training programs to encourage employees to maintain a constant awareness of issues, think by themselves, and take actions necessary to deliver products that meet the evolving needs of customers. Overall, our employee training programs are structured to give people skills for contributing to progress involving society and the quality of life.

Main training programs

New employee training	Fundamental skills training for new college-graduate employees
	On-the-Job Training (OJT)
Rank-based training (including online training)	Young employee training
	Core employee training
	New manager training (early management phase)
Other training programs	Training for female managers
	Online language training (English, Chinese)



New employee training



New manager training

Business Improvement Activities (JK Activities)

(J: “jishu” meaning “voluntary”, K: “kanri” meaning “management”)

Voluntary management activities in small groups that we call JK Activities are used to make improvements concerning quality, cost cutting, productivity, safety, the environment and other themes. Every year, the Yodogawa Steel Group holds a JK Conference in Osaka that brings together people from group companies worldwide. At the FY2024 conference, nine participants were chosen to represent group companies in Japan and other countries. Each participant gave a presentation about small group activities. This event contributes to the growth and self-realization of all employees even in business climates unlike those in prior years. JK Conferences provide an opportunity to study examples of initiatives that improve business processes and enable participants to stimulate each other to do their best.



Yodogawa Steel Group JK Conference

Diversity

The Yodogawa Steel Group has a workforce encompassing a broad spectrum of experience, skills and other characteristics as well as a wide range of perspectives and values. The utilization of these capabilities will play a key role in our ability to grow consistently. This is why we will continue to hire people regardless of gender, nationality, disabilities and other characteristics. For preserving and increasing diversity, we have voluntarily established measurable targets for the percentage of women among career-path for new-graduate recruits, the percentage of female managers and the percentage of experienced mid-career employees that we recruit. We will continue to use many activities for the advancement of women and diversity. To fully utilize the skills of our people, we will strengthen activities for maintaining a diverse workforce and further increasing diversity. For example, there are training programs for enabling women to advance their careers at the Yodogawa Steel Group. We are dedicated to providing workplaces where all employees can fully utilize their capabilities and educational activities that better enable people to achieve a mutual understanding of many subjects and issues.

Social Contribution Activities

Donations to Charities Using Shareholder Benefits

Donations by shareholders of record on March 31, 2024 who selected a charitable donation from among the items in the shareholder benefits catalog were as follows. We are very grateful to these shareholders for their generosity. The following donations were made in November 2024 in the name of the Yodogawa Steel Works, Ltd. (Shareholder Donation Account).

Total donations: 72 shareholders 344,000 yen

UNICEF: 19 shareholders 89,000 yen
The Japanese Red Cross Society: 23 shareholders 118,000 yen
Ashinaga Foundation: 30 shareholders 137,000 yen

Transfer to donations from shareholders who did not apply for shareholder benefits: 646 shareholders 3,078,000 yen

*Donations for UNICEF, the Japanese Red Cross Society and Ashinaga Foundation

Opening the Yodoko Guest House to the Public

The Yodoko Guest House was designed by Frank Lloyd Wright, lauded as one of the preeminent architects of the 20th century, and built as a vacation villa for the eighth-generation sake brewer Yamamura Tazaemon of Nada, Kobe. We have owned it since 1947. This villa is designated a National Important Cultural Property by the Japanese government and, since 1989, we have opened it to the public as part of our social contribution activities.



Yodoko Guest House (former residence of the Yamamura Family)



Dolls are displayed at the guest house to celebrate Hinamatsuri (Girls' Day) in March

Social Contribution Activities at Overseas Subsidiaries

SYSCO Taiwan

- Roadside flowers planted by employee volunteers**
As part of highway beautification programs, we started voluntarily establishing, in 1998, roadside flower beds along a national highway near a business site. We are participating in urban beautification projects as one way to enhance the reputation of Yodogawa Steel.
- Support for community arts and culture**
In order to support education and the quality of life of communities as a company deeply connected to areas where we operate, we have been holding cultural activities since 2014 with the Kaohsiung Municipal Social Education Center in Taiwan.

SYSCO Taiwan and PPT Thailand

- Donations to neighborhood schools**
At SYSCO, one of our social contribution activities was the donation of safety gear to schools in the Siaogang district for use by children and supervising adults to ensure their safety. In Thailand, PPT is participating in a scholarship project to support education at elementary schools to contribute to communities.



Children in the Taiwan city of Kaohsiung use safety gear donated by SYSCO



Governance

Basic Philosophy

In order to achieve sustainable growth and increase corporate value over mid- to long-term, we have a variety of initiatives that reflect the standpoints of all stakeholders (shareholders, customers, business partners, employees, and communities) while positioning transparency, fairness, and prompt and courageous decision-making as the objectives of our corporate governance.

Corporate Governance Structure

We emphasize nimble management suited to the scale of our company and use the Audit & Supervisory Board governance structure. Furthermore, we use the Executive Officer system in order to maintain a proper degree of distance between Directors’ oversight/decision-making and business execution. This system also maintains unity, from the standpoint of sharing information, concerning management decisions and business operations. In order to maintain a Board of Directors with a dynamic structure and one that is optimal with regard to clarifying management

responsibilities and responding to changes in the business environment, Directors are elected for one-year terms and the Yodogawa Steel Articles of Incorporation limit the number of Directors to no more than seven. By electing Directors with differing backgrounds and knowledge, we aim to ensure an appropriate size and diverse composition of the Board of Directors while facilitating more energetic, constructive, and engaging discussions during meetings. Additionally, in order to strengthen the transparency of oversight and decision-making processes, we appoint Independent Outside Directors who meet the Tokyo Stock Exchange’s criteria for independence. As of June 30, 2025, there were seven Directors including three Independent Outside Directors.


For the Audit & Supervisory Board, the Companies Act and the Yodogawa Steel Articles of Incorporation stipulate that we have no more than four Audit & Supervisory Board Members, with at least half being Independent Outside Audit & Supervisory Board Members.

History of corporate governance reforms


June 2003	Yodogawa Steel started one-year terms for Directors in order to build a dynamic structure for the Board of Directors and one that is optimal for clarifying management responsibilities and responding to changes in the business environment.
June 2004	Yodogawa Steel adopted the Executive Officer system, reducing the number of Board of Directors members from no more than 18 to no more than seven. The purposes are to have a measure of distance between Directors’ oversight/decision-making functions and business execution functions, to increase the strength and efficiency of the oversight functions of the Board of Directors, and to increase the speed of business operations. After terminating the Directors’ retirement benefits program, Yodogawa Steel established a stock option (stock-based remuneration) program for Directors and Executive Officers. This program raises the commitment and motivation of Directors and Executive Officers to increase sales and earnings as well as the stock price.
June 2006	One Outside Director was elected in order to facilitate energetic, constructive, and engaging discussions during Board meetings while also strengthening the transparency of oversight and decision-making processes.
June 2015	The number of Independent Outside Directors increased to two in order to facilitate more energetic, constructive, and engaging discussions during Board meetings while also strengthening the transparency of oversight and decision-making processes.
December 2015	Following the adoption of a corporate governance code in Japan, the Yodogawa Steel Corporate Governance Guidelines were established as the highest set of regulations after the laws and regulations of Japan and the Yodogawa Steel Articles of Incorporation.
June 2018	In order to further strengthen governance, a third Outside Director was added to the Board of Directors, resulting in seven Directors, three of whom are Independent Outside Directors.
June 2019	A female Outside Audit & Supervisory Board Member was elected in order to facilitate more energetic discussions from diverse perspectives at Board of Directors meetings.
December 2021	The Nomination & Remuneration Committee was established for the purposes of increasing the fairness, transparency and objectivity of procedures for director nominations and remuneration and further upgrading corporate governance.
June 2024	A female Outside Director was elected in order to facilitate more energetic discussions from diverse perspectives at Board meetings.

Directors and Audit & Supervisory Board Members (as of June 24, 2025)


Directors




Eiichi Tanaka
President and Representative Director




Toshio Kumamoto
Director, Senior Managing Executive Officer




Tadashi Hattori
Director, Senior Managing Executive Officer




Seiichi Sakinaga
Director



Sadao Kobayashi
Director (Independent Outside Director)




Katsuyuki Kuse
Director (Independent Outside Director)




Miho Ishihara
Director (Independent Outside Director)


Audit & Supervisory Board Members




Kenji Hayashi
Audit & Supervisory Board Member (full-time)



Hiroaki Shinohara
Audit & Supervisory Board Member (full-time)



Ritsuko Watanabe
Audit & Supervisory Board Member (Independent Outside Audit & Supervisory Board Member)



Tomoko Matano
Audit & Supervisory Board Member (Independent Outside Audit & Supervisory Board Member)

FY2024 (as of June 24, 2025)

Attendance by Outside Directors and Outside Audit & Supervisory Board Members

Name	Attendance at Board of Directors meetings	Attendance at Audit & Supervisory Board meetings
Sadao Kobayashi	14 of 14 meetings	—
Katsuyuki Kuse	14 of 14 meetings	—
Miho Ishihara	14 of 14 meetings	4 of 4 meetings
Ritsuko Watanabe	14 of 14 meetings	16 of 16 meetings
Tomoko Matano	11 of 11 meetings	12 of 12 meetings

*Apart from the Board of Directors meetings above, there were two occasions of resolution in writing that are deemed resolutions of the Board of Directors.

*Miho Ishihara served as an Outside Audit & Supervisory Board Member of Yodogawa Steel until the General Meeting of Shareholders held on June 25, 2024.

*Tomoko Matano served as an Outside Audit & Supervisory Board Member of Yodogawa Steel until the General Meeting of Shareholders held on June 25, 2024.

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Background of Outside Officers / Reason for Election

Sadato Kobayashi

Apr. 1974	Joined Mitsubishi Plastics, Inc. (currently Mitsubishi Chemical Corporation)
Apr. 2010	Executive Officer and General Manager of Nagahama Plant and Santo Plant of Mitsubishi Plastics, Inc.
Apr. 2011	Director of the Board, Managing Executive Officer of Mitsubishi Plastics, Inc. and Managing Executive Officer of Mitsubishi Chemical Holdings Corporation (currently Mitsubishi Chemical Group Corporation)
Apr. 2015	Representative Director and Senior Managing Executive Officer of Mitsubishi Plastics, Inc.
Apr. 2017	Advisor of Mitsubishi Chemical Corporation
Jun. 2019	Advisor of Japan Excel-Management Consulting Co., Ltd.
Jun. 2021	Outside Director of Yodogawa Steel (current)

Reason for Election

Mr. Kobayashi has many years of management experience at a publicly owned company, including the supervision of overseas companies, and considerable experience and knowledge concerning manufacturing and manufacturing technology. This expertise can be used for the management of Yodogawa Steel.

Katsuyuki Kuse

Apr. 1991	Registered as attorney; Joined Kansai Law & Patent Office
Aug. 1993	Joined Kudawara & Kuse Law Offices (currently Kuse Law Office), Partner
Jun. 2009	Member of the Intellectual Property Center of the Japan Federation of Bar Associations
Sep. 2010	Representative of Kudawara & Kuse Law Offices (currently Kuse Law Office) (current)
Jun. 2013	Instructor of Japan Intellectual Property Association
Apr. 2019	Chairperson of the Intellectual Property Committee of Osaka Bar Association
Jun. 2021	Outside Director of Yodogawa Steel (current)

Reason for Election

Mr. Kuse has considerable experience as an attorney and extensive knowledge about corporate law, particularly concerning intellectual property. He can use this expertise to incorporate external perspectives in the management of Yodogawa Steel.

Miho Ishihara

Oct. 1996	Joined Asahi & Co. (currently KPMG AZSA LLC)
Jan. 2002	Registered as Certified Public Accountant
Feb. 2006	Joined Protiviti Japan (currently Protiviti LLC)
Apr. 2009	Joined EY Advisory Co., Ltd. (currently EY Strategy & Consulting Co., Ltd.)
May 2010	Opened Ishihara Certified Public Accountant Office (currently Ishihara Certified Public Accountant & Certified Public Tax Accountant Office) (current); Joined Hibiki Audit Corporation
Dec. 2010	Registered as Certified Public Tax Accountant
Jun. 2019	Outside Audit & Supervisory Board Member of Yodogawa Steel
Jun. 2022	Outside Director of NICHIA STEEL WORKS, LTD. (current)
May 2023	Outside Director, Auditor and Supervisory Committee Member of Zuiko Corporation (current)
Jul. 2023	Senior Partner of Kainan Audit Corporation (current)
Jun. 2024	Outside Director of Yodogawa Steel (current)

Reason for Election

Ms. Ishihara is a certified public accountant and tax accountant and has considerable experience as a consultant for internal controls and risk management. She can use this knowledge and experience to further improve the corporate governance of Yodogawa Steel.

Ritsuko Watanabe

Sep. 2007	Registered as attorney; Joined Honmachi Chuo Law Office
Nov. 2012	Partner of Honmachi Chuo Law Office (current)
Jun. 2020	Outside Audit & Supervisory Board Member of Yodogawa Steel (current)
Jun. 2024	Outside Director, Audit & Supervisory Board Member of Nankai Chemical Industry Co., Ltd. (current)

Reason for Election

Ms. Watanabe is an attorney with the extensive knowledge and experience for performing audits from an external and independent standpoint.

Tomoko Matano

Oct. 1998	Joined Asahi & Co. (currently KPMG AZSA LLC)
Apr. 2002	Registered as Certified Public Accountant
Apr. 2008	Joined GYOSEI & CO.
Sep. 2012	Registered as Certified Public Tax Accountant; Opened Matano Certified Public Accountant Office (current)
Oct. 2014	Partner of GYOSEI & CO. (current)
Jun. 2024	Outside Audit & Supervisory Board Member of Yodogawa Steel (current)

Reason for Election

Ms. Matano has many years of experience as a certified public accountant and considerable knowledge about finance and accounting. This experience and knowledge can be used for the auditing activities of Yodogawa Steel.

Analysis and Evaluation of Effectiveness of the Board of Directors

Yodogawa Steel asks all Directors and Audit & Supervisory Board Members to complete questionnaires in order to analyze and evaluate the effectiveness of the Board of Directors. The following is a summary of the evaluation performed in FY2023.

1 Questionnaires

Scope	All 7 Directors and all 4 Audit & Supervisory Board Members
Format	All responses with names
Coverage	Board composition, roles of the Board, operation of Board meetings, status of corporate governance, status of the Nomination & Remuneration Committee, which was voluntarily established, and other subjects

2 Analysis and evaluation results

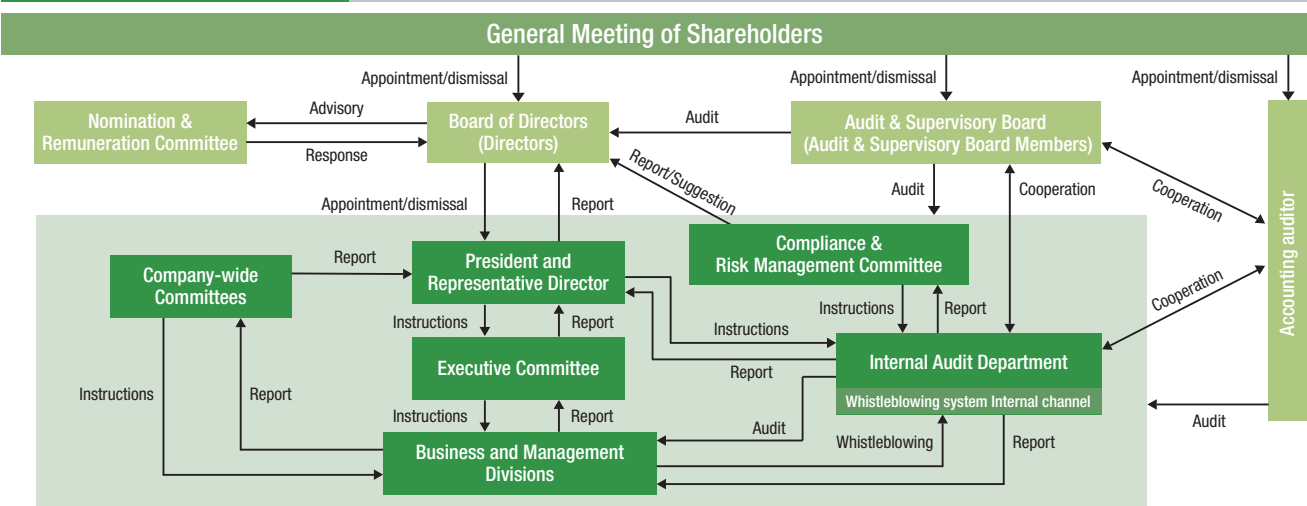
The Board of Directors is generally operating properly with regard to its composition, roles, how meetings are held, and the status of corporate governance and the Nomination & Remuneration Committee.

The questionnaire identified the following measures for further increasing the effectiveness of the Board of Directors: more thorough discussions of medium/long-term management issues; actions for making everyone aware of and committed to the new corporate philosophy; and more thorough discussions of and actions for issues involving sustainability.

3 Actions in response to the evaluation results

To further increase our corporate value as a global organization that is worthy of a Prime Market listing, we will use the points identified by this evaluation to hold more open discussions by internal and external officers with the goal of further increasing the effectiveness of the Board of Directors.

Diagram of governance structure (as of March 31, 2025)



Market environment

Although the Japanese economy recovered slowly during the fiscal year that ended in March 2025, the recovery remained lackluster in part because of soft consumer spending as inflation prevented real wages from increasing.

Looking at the world economy, in the United States, the economy remained healthy but became increasingly uncertain late in the fiscal year due in part to tariff revisions by the new Trump administration. In China, the economy continued to be held down by the prolonged real estate sector downturn and other events. However, economic stimulus measures by the government produced improvements in some areas of the economy. In Europe, although there were expectations for an economic recovery as interest rates declined with inflation, the recovery was sluggish because of political instability, the rising cost of energy and other factors.

In the steel industry in Japan, orders and production remained sluggish. Residential construction and machinery orders were still weak due to factors such as high material prices and a shortage of human resources. In addition, there were slower automobile production. In overseas steel markets, crude steel output in China remained high even as domestic demand was flat because of the prolonged real estate sector downturn and steel prices were weak as a result. Furthermore, concerns and vigilance are also growing over global trade friction because of China's excessive exports, tariff revisions by the new U.S. administration and other events.

Results of operations

The Yodogawa Steel Group's net sales in the fiscal year increased 4,503 million yen to 208,460 million yen. Operating profit increased 1,871 million yen to 13,889 million yen, ordinary profit increased 6,348 million yen to 21,551 million yen, and profit attributable to owners of parent increased 9,043 million yen to 13,499 million yen. In Japan, sales decreased despite activities to receive appropriate prices for products that can be reproduced. Sales were impacted by weak demand for steel in Japan, lower prices for steel products and other factors. Overseas, sales were higher at Sheng Yu Steel Co., Ltd. (SYSCO) in Taiwan due to an increase in the sales volume in Taiwan. At Yodogawa Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS) in China, sales decreased due to the prolonged downturn of the real estate market. At PCM PROCESSING (THAILAND) Ltd. (PPT) in Thailand, sales decreased due to a decline in selling prices resulting from soft market conditions. As a result, consolidated sales were higher than in the previous fiscal year. For earnings, operating profit in Japan increased mainly because of sales activities for steel sheet products placed emphasis on sales of pre-painted steel sheets and other value-added products. Overseas, earnings at SYSCO decreased due to a decline in selling prices and despite a higher sales volume in Taiwan. At YSS, there was a small improvement in operating profit because of the prolonged real-estate recession in China. At PPT, earnings increased as reductions in procurement expenses more than offset a decline in selling prices. Consequently, consolidated operating profit increased. Ordinary profit increased more than operating profit did, mainly due to an

increase in gain on sale of investment securities in non-operating income year on year. Consolidated profit and profit attributable to owners of parent increased more than ordinary profit did, mainly due to provision for product compensation recorded one year earlier.

Outlook

The global economy is expected to remain extremely unstable because of turmoil created by the Trump administration's tariffs, concerns about prolonged situation in Ukraine and Palestine, and prolonged downturn in the real estate market in China, and other sources of uncertainty.

In Japan, although the economy is expected to maintain its gradual recovery, the outlook is unclear because stock market volatility and the problems affecting the global economy are likely to have a major impact on Japan's economy too.

The outlook for markets for steel products is unclear due to the inability to predict the impact of U.S. tariffs and the retaliatory tariffs of other countries. These events are likely to have a significant negative effect on the market for steel products in Japan too.

U.S. tariffs will probably have only a limited direct effect on the Yodogawa Steel Group because the group has only a small volume of business with the United States. However, tariffs are expected to have an indirect effect on the group's operations due to the enormous impact of tariffs on the supply and demand for products and materials sold by group companies.

Returns to shareholders

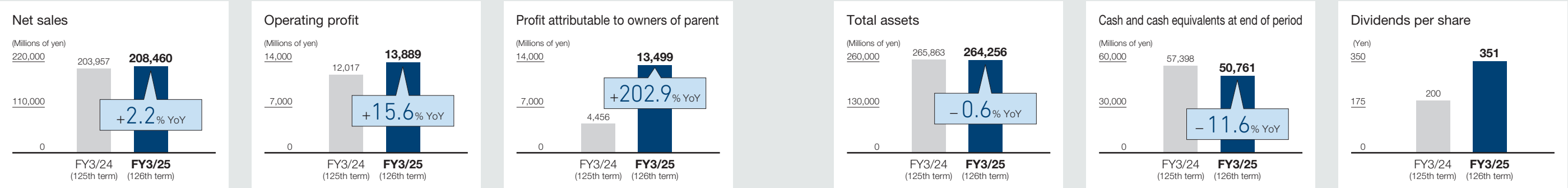
Distributing earnings to shareholders is one of the highest priorities of Yodogawa Steel. Earnings are distributed by paying dividends that reflect results of operations, repurchasing stock, and in other ways. The basic policy for dividends that are in line with our results of operations is to make payments that are stable and continuous. Dividends also take into consideration the need for funds for investments and other actions for increasing corporate value, the outlook for sales and earnings, the need to maintain financial soundness, and other items.

Regarding shareholder returns for the three fiscal years ending on March 31, 2024, 2025 and 2026, we place emphasis on dividend payments, maintaining an annual dividend of at least 200 yen per share considering factors such as our capital investment plan and financial condition, with the target consolidated payout ratio of 75% or more, partially revising our initial policy.

The basic policy is to pay interim and year-end dividends. In accordance with Article 459, Paragraph 1 of the Companies Act, the Yodogawa Steel Articles of Incorporation state that dividends can be paid based on a resolution of the Board of Directors, except in cases where stipulated otherwise by laws and regulations.

The year-end dividend for the fiscal year that ended March 31, 2025 is to be 251 yen per share. With the interim dividend of 100 yen, this will result in a dividend of 351 yen per share for this fiscal year.

The forecast for the dividend for the next fiscal year is based on the above dividend policy and in consideration of the performance forecast.



Consolidated Balance Sheet

(Millions of yen)

	FY3/24 <small>(as of March 31, 2024)</small>	FY3/25 <small>(as of March 31, 2025)</small>
Assets		
Current assets		
Cash and deposits	56,808	58,090
Notes and accounts receivable-trade, and contract assets	45,474	43,930
Electronically recorded monetary claims-operating	4,823	5,223
Securities	4,009	2,995
Merchandise and finished goods	22,751	24,440
Work in process	5,591	6,311
Raw materials and supplies	14,939	16,294
Other	1,898	2,760
Allowance for doubtful accounts	(177)	(189)
Total current assets	156,119	159,857
Non-current assets		
Property, plant and equipment		
Buildings and structures	68,841	70,156
Accumulated depreciation	(50,487)	(51,897)
Buildings and structures, net	18,353	18,259
Machinery, equipment and vehicles	150,727	154,346
Accumulated depreciation	(138,850)	(142,163)
Machinery, equipment and vehicles, net	11,876	12,183
Land	19,235	19,350
Leased assets	237	253
Accumulated depreciation	(138)	(167)
Leased assets, net	98	86
Construction in progress	4,971	6,595
Other	12,619	12,819
Accumulated depreciation	(11,215)	(11,485)
Other, net	1,403	1,333
Total property, plant and equipment	55,940	57,808
Intangible assets		
Other	2,203	2,278
Total intangible assets	2,203	2,278
Investments and other assets		
Investment securities	49,643	40,961
Retirement benefit asset	1,422	2,679
Deferred tax assets	86	61
Other	447	609
Total investments and other assets	51,600	44,311
Total non-current assets	109,743	104,399
Total assets	265,863	264,256

	FY3/24 <small>(as of March 31, 2024)</small>	FY3/25 <small>(as of March 31, 2025)</small>
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,892	14,453
Electronically recorded obligations-operating	2,986	2,241
Short-term borrowings	544	840
Lease liabilities	60	72
Income taxes payable	2,097	3,504
Contract liabilities	240	333
Provision for bonuses	1,117	1,182
Other	7,174	7,129
Total current liabilities	28,113	29,759
Non-current liabilities		
Lease liabilities	74	99
Deferred tax liabilities	4,445	3,206
Deferred tax liabilities for land revaluation	807	780
Provision for retirement benefits for directors (and other officers)	28	20
Retirement benefit liability	5,315	4,127
Provision for product compensation	9,457	7,490
Other	3,786	3,651
Total non-current liabilities	23,917	19,376
Total liabilities	52,031	49,136
Net assets		
Shareholders' equity		
Share capital	23,220	23,220
Capital surplus	18,279	12,481
Retained earnings	126,905	133,392
Treasury shares	(11,845)	(4,898)
Total shareholders' equity	156,559	164,196
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,543	16,921
Revaluation reserve for land	1,505	1,435
Foreign currency translation adjustment	7,881	9,705
Remeasurements of defined benefit plans	1,089	2,461
Total accumulated other comprehensive income	33,020	30,524
Share acquisition rights	125	98
Non-controlling interests	24,126	20,301
Total net assets	213,832	215,120
Total liabilities and net assets	265,863	264,256

Consolidated Statement of Income

(Millions of yen)

	FY3/24 <small>(April 1, 2023 to March 31, 2024)</small>	FY3/25 <small>(April 1, 2024 to March 31, 2025)</small>
Net sales	203,957	208,460
Cost of sales	172,188	174,311
Gross profit	31,769	34,149
Selling, general and administrative expenses	19,751	20,260
Operating profit	12,017	13,889
Non-operating income	3,508	7,936
Non-operating expenses	324	274
Ordinary profit	15,202	21,551
Extraordinary income	1,352	85
Extraordinary losses	8,472	940
Profit before income taxes	8,082	20,695
Income taxes-current	4,573	5,487
Income taxes-deferred	(2,363)	179
Total income taxes	2,210	5,666
Profit	5,872	15,028
Profit attributable to non-controlling interests	1,415	1,529
Profit attributable to owners of parent	4,456	13,499

Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY3/24 <small>(April 1, 2023 to March 31, 2024)</small>	FY3/25 <small>(April 1, 2024 to March 31, 2025)</small>
Profit	5,872	15,028
Other comprehensive income	10,415	(1,175)
Comprehensive income	16,287	13,853

Consolidated Statement of Changes in Equity (April 1, 2024 to March 31, 2025) (Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	23,220	18,279	126,905	(11,845)	156,559	22,543	1,505	7,881	1,089	33,020	125	24,126	213,832
Changes during period													
Dividends of surplus			(7,080)		(7,080)								(7,080)
Profit attributable to owners of parent			13,499		13,499								13,499
Purchase of treasury shares				(5)	(5)								(5)
Disposal of treasury shares		25		55	80								80
Cancellation of treasury shares		(6,897)		6,897	—								—
Purchase of shares of consolidated subsidiaries		1,074			1,074								1,074
Reversal of revaluation reserve for land			67		67								67
Net changes in items other than shareholders' equity						(5,621)	(70)	1,824	1,371	(2,496)	(26)	(3,824)	(6,347)
Total changes during period	—	(5,797)	6,486	6,946	7,636	(5,621)	(70)	1,824	1,371	(2,496)	(26)	(3,824)	1,288
Balance at end of period	23,220	12,481	133,392	(4,898)	164,196	16,921	1,435	9,705	2,461	30,524	98	20,301	215,120

Consolidated Statement of Cash Flows (Millions of yen)

	FY3/24 (April 1, 2023 to March 31, 2024)	FY3/25 (April 1, 2024 to March 31, 2025)
Cash flows from operating activities	21,521	11,311
Cash flows from investing activities	(809)	(6,736)
Cash flows from financing activities	(5,360)	(12,508)
Effect of exchange rate change on cash and cash equivalents	1,334	1,242
Net increase (decrease) in cash and cash equivalents	16,685	(6,691)
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	—	54
Cash and cash equivalents at beginning of period	40,712	57,398
Cash and cash equivalents at end of period	57,398	50,761

Corporate Profile

Company name	Yodogawa Steel Works, Ltd.
Established	January 30, 1935
Capital	23,220,815,228 yen
Employees	1,216

Major Offices & Plants

Head office	4-1-1, Minamihonmachi, Chuo-ku, Osaka 541-0054, Japan +81-6-6245-1111
Tokyo branch	1-3-7, Shintomi, Chuo-ku, Tokyo 104-0041, Japan +81-3-3551-1171
Sales offices	Sapporo, Sendai, Morioka, Tokyo, Takasaki, Hokuriku, Nagoya, Osaka, Hiroshima, Takamatsu, Kochi, Fukuoka, Kagoshima, Okinawa
Plants	Osaka (Osaka prefecture), Kure (Hiroshima prefecture), Ichikawa (Chiba prefecture), Izumiotsu (Osaka prefecture), Himeji (Hyogo prefecture)

Main Affiliated Companies

Consolidated Subsidiaries	
Takada Kozai Kogyo Co., Ltd.	Steel sheet processing, sales, and warehousing
Sheng Yu Steel Co., Ltd.	Steel sheet manufacturing and sales
Yodoko Shoji Co., Ltd.	Steel wholesaling and transportation
Keiyo Tekko Futo Co., Ltd.	Distribution and warehousing
Yodoko Kohatsu Co., Ltd.	Golf course and other management and real estate leasing
Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd.	Steel sheet manufacturing and sales
PCM Processing (Thailand) Ltd.	Pre-painted steel sheet manufacturing, processing, and sales
Fukui Yodoko Co., Ltd.	Manufacture and processing of exterior products and other activities

Equity-Method Affiliated Companies

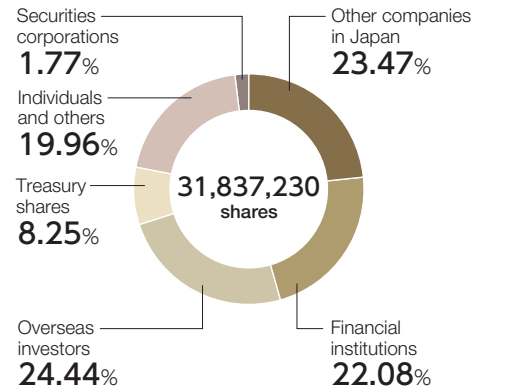
Sadoshima Corporation	Steel wholesaling
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Principal Shareholders

Name	Shares Owned (Thousands of shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,311	7.91
INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP	1,251	4.28
INTERTRUST TRUSTEES CAYMAN LIMITED AS TRUSTEE OF JAPAN-UP UNIT TRUST	1,070	3.66
Resona Bank, Limited.	1,068	3.65
Mizuho Bank, Ltd.	1,062	3.63
Yodoko Partners' Shareholding Association	1,059	3.62
Ohgi Shokai Co., Ltd.	850	2.91
STATE STREET BANK AND TRUST COMPANY 505001	639	2.19
Custody Bank of Japan, Ltd. (Trust Account)	631	2.16
Hanwa Co., Ltd.	628	2.15

Notes: 1. Treasury shares (2,628,714 shares) held by Yodogawa Steel are not included in this list of major shareholders.
2. Shareholding ratios do not include treasury shares (2,628,714 shares).

Share Ownership by Category





4-1-1 Minami-honmachi, Chuo-ku, Osaka
541-0054, Japan
Tel. +81-6-6245-1111 (main switchboard)
<https://www.yodoko.co.jp/english/>

Shareholder Reminders

Account closing date	March 31
Ordinary general meeting of shareholders	June
Record date	Ordinary general meeting of shareholders, year-end dividend March 31 Interim dividend September 30 Other dates shall be in accord with pre-announced schedules.
Number of shares per trading unit	100 shares
Shareholder registry administrator & special account administrator	Mizuho Trust & Banking Co., Ltd.
Address of shareholder registry administrator's office of operations	Stock Transfer Agency Department Mizuho Trust & Banking Co., Ltd. 1-3-3, Marunouchi, Chiyoda-ku, Tokyo, Japan
Method of public notice	Electronic notice Please see our website https://www.yodoko.co.jp/english/

Mizuho Trust & Banking Co., Ltd.
Stock Transfer Agency Department Contact

Tel: 0120-288-324 (toll free in Japan) Business hours: 9:00–17:00 (weekdays, excluding weekends and public holidays) 0120-524-324 (Dedicated number for the electronic provision system) Business hours: 9:00–17:00 (weekdays, excluding weekends and public holidays)

Online: <https://www.mizuho-tb.co.jp/daikou/index.html>

Postal address: Stock Transfer Agency Department
Mizuho Trust & Banking Co., Ltd. 2-8-4, Izumi,
Suginami-ku, Tokyo 168-8507, Japan



Procedures Regarding Stock

Stock handling procedures differ depending on whether shares are held in a securities brokerage account or in a special account. Please see below for whom to contact in each case.

Shares held in a securities brokerage account

Procedures and information	Contact
<ul style="list-style-type: none"> Selling or purchasing odd-lot shares Change of name, address, etc. Changes in method of dividend receipt and payment 	Securities brokerage managing your account
<ul style="list-style-type: none"> Information on mail and returned mail Information on unpaid dividends* Information on other stock handling procedures 	Shareholder registry administrator Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department

Shares held in a special account

Procedures and information	Contact
<ul style="list-style-type: none"> Selling or purchasing odd-lot shares Change of name, address, etc. Changes in method of dividend receipt and payment 	Special account management administrator Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department
<ul style="list-style-type: none"> Information on mail and returned mail Information on unpaid dividends* Information on other stock handling procedures 	Shareholder registry administrator Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency Department

*Payment of unpaid dividends can be handled at the Mizuho Bank, Ltd. Head Office or at one of the branch offices.