



MEMBERSHIP
May 12, 2020

Summary of the Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (FY3/20)

[Japanese GAAP]

Company name: Yodogawa Steel Works, Ltd. Stock exchange listed: Tokyo, 1st Section
 Stock code: 5451 URL: <https://www.yodoko.co.jp/>
 Representative: Satoshi Nitta, President and Representative Director
 Inquiries: Yasunori Osumi, Senior Executive Officer, General Manager of IR Department
 Tel: +(81)6-6245-1113

Scheduled date of Annual General Meeting of Shareholders: June 23, 2020
 Scheduled date of payment of dividend: June 24, 2020
 Scheduled date of filing of Annual Securities Report: June 23, 2020
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for FY3/20 (April 1, 2019 to March 31, 2020)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Mar. 31, 2020	154,066	(8.0)	5,489	(6.6)	7,425	(24.5)	3,862	(38.2)
Fiscal year ended Mar. 31, 2019	167,419	(3.7)	5,879	(45.8)	9,829	(20.0)	6,254	(15.0)

Note: Comprehensive income (millions of yen): Fiscal year ended Mar. 31, 2020 2,117 (up 256.6%)
 Fiscal year ended Mar. 31, 2019 593 (down 95.5%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2020	131.14	130.60	2.6	3.6	3.6
Fiscal year ended Mar. 31, 2019	211.08	210.20	4.1	4.6	3.5

Reference: Equity in earnings of affiliates (millions of yen): Fiscal year ended Mar. 31, 2020 475
 Fiscal year ended Mar. 31, 2019 394

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2020	201,125	167,291	74.6	5,115.92
As of Mar. 31, 2019	209,465	167,671	71.7	5,096.96

Reference: Shareholders' equity (millions of yen): As of Mar. 31, 2020: 150,037 As of Mar. 31, 2019: 150,236

(3) Cash flow position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Mar. 31, 2020	5,927	(1,407)	(2,265)	34,658
Fiscal year ended Mar. 31, 2019	8,273	1,232	(3,979)	32,316

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended Mar. 31, 2019	-	30.00	-	40.00	70.00	2,088	33.2	1.4
Fiscal year ended Mar. 31, 2020	-	30.00	-	40.00	70.00	2,077	53.4	1.4
Fiscal year ending Mar. 31, 2021 (Forecast)	-	-	-	-	-	-	-	-

There is currently no dividend forecast for the fiscal year ending March 31, 2021.

3. Consolidated Forecasts for FY3/21 (April 1, 2020 to March 31, 2021)

No consolidated forecast for the fiscal year ending March 31, 2021 is shown because of the difficulty of determining a reliable forecast.

For further details, please refer to "1. Overview of Results of Operations, (2) Outlook" on page 5.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

Note: For further details, please refer to “3. Consolidated Financial Statements and Notes, (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” on page 16.

(3) Number of outstanding shares (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Mar. 31, 2020: 35,837,230 shares As of Mar. 31, 2019: 35,837,230 shares

2) Number of treasury shares at the end of the period

As of Mar. 31, 2020: 6,509,597 shares As of Mar. 31, 2019: 6,361,610 shares

3) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2020: 29,453,161 shares Fiscal year ended Mar. 31, 2019: 29,631,713 shares

Reference: Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for FY3/20 (April 1, 2019 to March 31, 2020)

(1) Non-consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Mar. 31, 2020	102,602	(7.0)	5,940	(6.2)	7,763	(26.5)	4,524	(23.2)
Fiscal year ended Mar. 31, 2019	110,332	3.7	6,331	(18.8)	10,558	2.0	5,891	(21.9)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2020	152.13	151.51
Fiscal year ended Mar. 31, 2019	196.94	196.12

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Mar. 31, 2020	166,540	140,367	84.1	4,732.34
As of Mar. 31, 2019	173,580	139,856	80.5	4,692.35

Reference: Shareholders' equity (millions of yen): As of Mar. 31, 2020: 140,143 As of Mar. 31, 2019: 139,646

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the management of Yodogawa Steel Works at the time the materials were prepared. These materials are not promises by Yodogawa Steel Works regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

For a discussion of the assumptions for forecasts, precautions concerning usage and other information, please refer to “1.

Overview of Results of Operations, (2) Outlook” on page 5.

Contents of Attachments

1. Overview of Results of Operations	2
(1) Results of Operations and Financial Position	2
(2) Outlook	5
(3) Basic Policy for Profit Distribution and Dividends in the Current and Next Fiscal Years	5
2. Basic Approach to the Selection of Accounting Standards	5
3. Consolidated Financial Statements and Notes	6
(1) Consolidated Balance Sheet	6
(2) Consolidated Statements of Income and Comprehensive Income	8
Consolidated Statement of Income	8
Consolidated Statement of Comprehensive Income	9
(3) Consolidated Statement of Changes in Equity	10
(4) Consolidated Statement of Cash Flows	12
(5) Notes to Consolidated Financial Statements	14
Going-concern Assumption	14
Significant Accounting Policies in the Preparation of Consolidated Financial Statements	14
Changes in Accounting Policies	16
Notes to Consolidated Balance Sheet	17
Notes to Consolidated Statement of Income	18
Notes to Consolidated Statement of Comprehensive Income	20
Notes to Consolidated Statement of Changes in Equity	21
Notes to Consolidated Statement of Cash Flows	22
Segment Information	23
Per-share Information	25
Subsequent Events	25
4. Non-consolidated Financial Statements	26
(1) Non-consolidated Balance Sheet	26
(2) Non-consolidated Statement of Income	28
(3) Non-consolidated Statement of Changes in Equity	29

1. Overview of Results of Operations

(1) Results of Operations and Financial Position

1) Summary of results of operations

In the fiscal year ended March 31, 2020, the second half brought a rapidly strengthening sense of economic stagnation in Japan due to a downturn in consumer spending following the October 2019 consumption tax hike and slowing capital investment and housing starts.

The global economy saw a dramatic slowdown due to sluggish economic activity as the effects of U.S.-China trade friction continued to be felt throughout 2019 in every region. Another major factor was the global spread of the novel coronavirus infections (COVID-19 pandemic) from the beginning of 2020.

In the steel market in Japan, demand was generally weak due to factors such as decreases in construction demand, automobile production, and exports. In the overseas steel market, the sentiment, particularly in Asia, remained weak due to high levels of production in China. The outlook has been extremely uncertain due to the impact of the COVID-19 pandemic on the global economy from the beginning of 2020.

The Yodogawa Steel Group's net sales in the fiscal year decreased 13,352 million yen to 154,066 million yen. Operating profit decreased 390 million yen to 5,489 million yen, ordinary profit decreased 2,403 million yen to 7,425 million yen, and profit attributable to owners of parent decreased 2,392 million yen to 3,862 million yen.

Total assets at the end of the fiscal year decreased 8,339 million yen to 201,125 million yen. This was attributable mainly to a decrease in trade receivables due to lower sales and a decline in valuation of investment securities which resulted from the deterioration in the financial instruments markets. Liabilities decreased 7,959 million yen to 33,834 million yen. This was attributable mainly to a decrease in notes and accounts payable-trade. Net assets decreased 380 million yen to 167,291 million yen. This was attributable mainly to an increase in retained earnings and other items and a decrease in valuation difference on available-for-sale securities.

In addition, the COVID-19 pandemic which originated in Wuhan, China at the beginning of 2020, subsequently spread worldwide. The prevention measures in the major affected countries including Japan, triggered a huge slowdown in the global macroeconomy. As all overseas consolidated subsidiaries of the Yodogawa Steel Group have fiscal years ending in December, there was no impact of the COVID-19 pandemic on the business results for the fiscal year ended March 31, 2020. As our group companies in Japan, including Yodogawa Steel, have fiscal years ending in March, it is likely that our business activities were affected to a certain extent from February through March due to the spread of the COVID-19 pandemic in Japan. But the impact seems to have been insignificant. On the other hand, concerns about the future of the global economy have spread rapidly and the financial instruments markets have plunged, affecting the valuation of the financial instruments that we hold.

Results by business segment are as follows.

Steel Sheet-related Business

Net sales totaled 142,418 million yen and operating profit was 5,898 million yen.

Roll Business

Net sales totaled 2,833 million yen and operating loss was 311 million yen.

Grating Business

Net sales totaled 3,481 million yen and operating profit was 80 million yen.

Real Estate Business

Net sales totaled 1,205 million yen and operating profit was 847 million yen.

Other Businesses

Net sales totaled 4,127 million yen and operating profit was 186 million yen.

Cash and cash equivalents at the end of the fiscal year increased 2,341 million yen from the end of the previous fiscal year to 34,658 million yen mainly due to an increase in operating cash flows.

Cash flows from operating activities

Net cash provided by operating activities decreased 2,345 million yen to 5,927 million yen. Operating profit of 5,489 million yen was the primary sources of cash.

Cash flows from investing activities

Net cash used in investing activities was 1,407 million yen (compared with 1,232 million yen provided in the previous fiscal year) mainly due to the net sale of investment securities and purchase of non-current assets.

Cash flows from financing activities

Net cash used in financing activities was 2,265 million yen (compared with 3,979 million yen used in the previous fiscal year) mainly due to cash dividends paid.

2) Analysis and review of results of operations

Net sales

In Japan, although efforts were made to raise or maintain the selling prices in each business, overall sales volume decreased, especially in the second half. In addition, Taiwan subsidiary Sheng Yu Steel Co., Ltd. (SYSCO) saw a significant decrease in export particularly to North America, due to U.S. trade protectionism. As a result, consolidated sales decreased.

Operating profit

Operating profit was lower in Japan primarily because of a decrease in sales volume and a smaller contribution to earnings growth from inventory valuations than in the previous fiscal year. All overseas subsidiaries experienced challenging market conditions, but the combined operating profit of the three overseas companies improved slightly. Consequently, consolidated operating profit was lower.

Ordinary profit

In addition to a decrease in the gains on sales of investment securities included under non-operating income, losses were recorded on financial products under non-operating expenses. As a result, ordinary profit declined more than operating profit.

Profit attributable to owners of parent

The decline in consolidated net income was greater than the decrease in ordinary profit due to valuation losses on financial instruments caused by the deterioration in the financial instruments markets. The lower earnings at Keiyo Tekko Futo Co., Ltd., and SYSCO, both of which have a high percentage of non-controlling interest ownership was another major reason for the decline in consolidated net income. As a result, the decrease in profit attributable to owners of parent is smaller than the decrease in consolidated net income.

The Yodogawa Steel Group's basic strategy for capital policy is to maintain consistent operating cash flows in order to secure funds needed for substantial investments for sustained growth as well as the greatest possible shareholder distributions while maintaining financial soundness.

As of the end of March 2020, there were no significant capital expenditures planned that would require the procurement of funds from external sources. For working capital and capital expenditures, the policy is to use internal resources as the main source of funding and use loans from financial institutions as needed for the time being.

As an objective target for monitoring progress concerning management policies, strategic goals and business goals, the Yodogawa Steel Group Medium-Term Management Plan 2019, which was announced in March 2017, has the following goal: consolidated ordinary profit of at least 10 billion yen every year regardless of the performance of existing businesses and changes in the business climate, including foreign exchange rate movements.

In the fiscal year that ended on March 31, 2020, the operating environment was challenging due to the higher cost of raw materials, energy and other items. Trade protectionism in all regions of the world also made market conditions difficult. Although there were many activities using the speed and flexibility that has always been one

of the Yodogawa Steel Group's key strengths, the Group was unable to achieve the consolidated ordinary profit goal of at least 10 billion yen.

Recognition, analysis and review of financial position and results of operations by business segment are as follows.

Steel Sheet-related Business

Steel Sheet Segment

In Japan, we focused on price revisions and on expansion of sales of pre-painted steel sheets, a product with significant added value, to specific high-demand customers. But sales were lower as the sales volume of plated steel sheets for building materials declined mainly in the second half due to the impact of low-priced imported materials and market stagnation.

The sales volume of steel sheets for general distribution decreased in the second half, but sales volume was up slightly for the full year, resulting in a small increase in sales.

Overseas, SYSCO's sales fell mainly because of a big downturn in exports to North America. Sales were lower at Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS), a Chinese subsidiary, because of a decrease in sales volume as the company shifted sales activities that focused to profitability. Nevertheless, profits improved due to an increase in the sales volume of high-margin pre-painted steel sheets. PCM Processing (Thailand) LTD. (PPT), a Thai subsidiary, continues to face a difficult business environment. While sales were at about the same level, profitability improved due to an increase in sales volume of value-added products.

Building Material & Exterior Products Segment

In the building materials category, sales decreased mainly because of the lower sales volume of **Yodoroo** products caused by the policy of placing priority on profitability when accepting orders. Sales of exterior products increased. This was the result of a small decrease in the sales volume of storage sheds, strong garage sales and revisions of product prices. Construction sales were higher because of an increase in completions of large projects.

As a result, sales and earnings in this segment decreased.

Roll Business

Sales and earnings decreased because of the decrease of shipments caused by problems created by improper activities involving the quality of roll products in 2018.

Grating Business

Sales and earnings slightly decreased mainly because of a decline in orders in the public-works sector despite firm demand in the private sector.

Real Estate Business

Sales and earnings increased mainly because of higher rents at tenant-occupied buildings.

Other Businesses

Sales increased but earnings decreased due to lower profitability along with a decline in the volume of cargo handled in the transportation and warehouse businesses despite higher sales in the engineering business.

(2) Outlook

Various regions of the world including Japan, have extensively implemented measures, such as citizens' restrictions on going out and the shutdown of commercial facilities, to curb the spread of the COVID-19 pandemic. This has significantly affected personal consumption and corporate activities.

The above actions to curb the spread of the COVID-19 pandemic are bound to significantly affect the global macro economy as well as the Yodogawa Steel Group's operating environment. As the extent of the pandemic's impact is extremely uncertain at this point, determining a reliable forecast for the fiscal year ending in March 2021 is extremely difficult. An announcement will be made promptly once it becomes possible to determine a reliable forecast.

The Yodogawa Steel Group today announced the Yodogawa Steel Group Medium-Term Management Plan 2022. The three-year plan starts in the fiscal year ending March 31, 2021 and follows the Yodogawa Steel Group Medium-Term Management Plan 2019. While the current environment is extremely uncertain the Group is committed to strengthen its profitability by maximizing speed and flexibility that are key strengths of the Yodogawa Steel Group and implementing measures in response to changes in the environment.

(3) Basic Policy for Profit Distribution and Dividends in the Current and Next Fiscal Years

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. To pay dividends that reflect results of operations, the target consolidated payout ratio is between about 30% and 50%. In addition, there is a goal of paying an annual dividend of at least 50 yen per share for each of the three fiscal years ended on March 31, 2018, 2019 and 2020.

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, 2020 is to be 40 yen per share. With the interim dividend of 30 yen, this will result in a dividend of 70 yen per share for this fiscal year.

There is currently no dividend forecast for the fiscal year ending March 31, 2021. An announcement will be made promptly once it becomes possible to disclose a dividend forecast.

2. Basic Approach to the Selection of Accounting Standards

The Yodogawa Steel Group will continue to prepare consolidated financial statements using generally accepted accounting principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies.

We will take suitable actions with regard to the application of the International Financial Reporting Standards (IFRS) by taking into account associated factors in Japan and other countries.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

	(Millions of yen)	
	FY3/19	FY3/20
	(as of Mar. 31, 2019)	(as of Mar. 31, 2020)
Assets		
Current assets		
Cash and deposits	*1 36,843	*1 32,650
Notes and accounts receivable-trade	*5 44,018	39,117
Securities	3,494	8,652
Merchandise and finished goods	15,519	15,406
Work in process	4,397	4,145
Raw materials and supplies	12,733	12,216
Other	3,881	4,496
Allowance for doubtful accounts	(132)	(131)
Total current assets	120,755	116,553
Non-current assets		
Property, plant and equipment		
Buildings and structures	60,458	60,663
Accumulated depreciation	(45,269)	(46,096)
Buildings and structures, net	15,189	14,566
Machinery, equipment and vehicles	134,337	135,668
Accumulated depreciation	(121,482)	(123,356)
Machinery, equipment and vehicles, net	12,855	12,312
Land	*4 18,687	*4 19,001
Leased assets	47	91
Accumulated depreciation	(35)	(50)
Leased assets, net	12	41
Construction in progress	554	802
Other	12,004	11,838
Accumulated depreciation	(11,175)	(11,069)
Other, net	828	769
Total property, plant and equipment	48,126	47,493
Intangible assets		
Other	1,472	1,641
Total intangible assets	1,472	1,641
Investments and other assets		
Investment securities	*1, *2 38,292	*1, *2 34,778
Deferred tax assets	369	234
Other	*1 448	*1 424
Total investments and other assets	39,109	35,437
Total non-current assets	88,709	84,572
Total assets	209,465	201,125

	(Millions of yen)	
	FY3/19	FY3/20
	(as of Mar. 31, 2019)	(as of Mar. 31, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	*5 17,858	10,582
Electronically recorded obligations-operating	-	2,340
Short-term borrowings	327	640
Lease obligations	9	23
Income taxes payable	1,736	250
Provision for bonuses	971	923
Other	*1, *5 6,265	*1 4,748
Total current liabilities	27,168	19,509
Non-current liabilities		
Lease obligations	10	22
Deferred tax liabilities	2,502	2,044
Deferred tax liabilities for land revaluation	*4 856	*4 856
Provision for retirement benefits for directors (and other officers)	66	79
Retirement benefit liability	7,154	7,281
Other	4,034	4,041
Total non-current liabilities	14,624	14,324
Total liabilities	41,793	33,834
Net assets		
Shareholders' equity		
Share capital	23,220	23,220
Capital surplus	20,385	20,381
Retained earnings	104,961	106,763
Treasury shares	(13,061)	(13,351)
Total shareholders' equity	135,505	137,014
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,213	10,476
Revaluation reserve for land	*4 1,639	*4 1,636
Foreign currency translation adjustment	1,378	1,489
Remeasurements of defined benefit plans	(500)	(578)
Total accumulated other comprehensive income	14,730	13,023
Share acquisition rights	210	224
Non-controlling interests	17,225	17,029
Total net assets	167,671	167,291
Total liabilities and net assets	209,465	201,125

(2) Consolidated Statements of Income and Comprehensive Income**(Consolidated Statement of Income)**

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)		FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)	
Net sales		167,419		154,066
Cost of sales	*1	144,180	*1	131,540
Gross profit		23,238		22,525
Selling, general and administrative expenses	*2, *3	17,358	*2, *3	17,036
Operating profit		5,879		5,489
Non-operating income				
Interest income		579		450
Dividend income		841		773
Insurance claim income		89		76
Gain on sales of investment securities		2,017		1,028
Foreign exchange gains		168		-
Share of profit of entities accounted for using equity method		394		475
Other		200		230
Total non-operating income		4,292		3,035
Non-operating expenses				
Interest expenses		80		81
Foreign exchange losses		-		121
Loss on valuation of derivatives		-		653
Commitment fee		24		24
Cost for employees transferred temporarily to overseas subsidiaries		194		161
Other		42		55
Total non-operating expenses		342		1,099
Ordinary profit		9,829		7,425
Extraordinary income				
Gain on sales of non-current assets		-	*4	0
Insurance claim income		88		295
Total extraordinary income		88		295
Extraordinary losses				
Loss on sales and retirement of non-current assets	*5	53	*5	92
Impairment loss	*6	6	*6	0
Loss on disaster		651		214
Loss on valuation of investment securities		44		1,905
Other		0		-
Total extraordinary losses		755		2,213
Profit before income taxes		9,162		5,507
Income taxes-current		3,174		1,782
Income taxes-deferred		(509)		236
Total income taxes		2,664		2,019
Profit		6,497		3,488
Profit (loss) attributable to non-controlling interests		243		(373)
Profit attributable to owners of parent		6,254		3,862

(Consolidated Statement of Comprehensive Income)

	(Millions of yen)	
	FY3/19	FY3/20
	(Apr. 1, 2018 to Mar. 31, 2019)	(Apr. 1, 2019 to Mar. 31, 2020)
Profit	6,497	3,488
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,210)	(1,608)
Foreign currency translation adjustment	(2,303)	281
Remeasurements of defined benefit plans, net of tax	669	44
Share of other comprehensive income of entities accounted for using equity method	(58)	(88)
Total other comprehensive income	* (5,903)	* (1,371)
Comprehensive income	593	2,117
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,116	2,158
Comprehensive income attributable to non-controlling interests	(522)	(41)

(3) Consolidated Statement of Changes in Equity

FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,220	20,393	100,775	(12,679)	131,710
Changes during period					
Dividends of surplus			(2,076)		(2,076)
Profit attributable to owners of parent			6,254		6,254
Purchase of treasury shares				(443)	(443)
Disposal of treasury shares		(17)		61	43
Purchase of shares of consolidated subsidiaries		8			8
Reversal of revaluation reserve for land			7		7
Net changes in items other than shareholders' equity					
Total changes during period	-	(8)	4,185	(382)	3,795
Balance at end of period	23,220	20,385	104,961	(13,061)	135,505

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	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	16,420	1,646	2,798	(990)	19,875	223	18,764	170,574
Changes during period								
Dividends of surplus								(2,076)
Profit attributable to owners of parent								6,254
Purchase of treasury shares								(443)
Disposal of treasury shares								43
Purchase of shares of consolidated subsidiaries								8
Reversal of revaluation reserve for land								7
Net changes in items other than shareholders' equity	(4,207)	(7)	(1,419)	489	(5,145)	(13)	(1,539)	(6,698)
Total changes during period	(4,207)	(7)	(1,419)	489	(5,145)	(13)	(1,539)	(2,902)
Balance at end of period	12,213	1,639	1,378	(500)	14,730	210	17,225	167,671

FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,220	20,385	104,961	(13,061)	135,505
Changes during period					
Dividends of surplus			(2,063)		(2,063)
Profit attributable to owners of parent			3,862		3,862
Purchase of treasury shares				(300)	(300)
Disposal of treasury shares		(3)		10	6
Reversal of revaluation reserve for land			2		2
Net changes in items other than shareholders' equity					
Total changes during period	-	(3)	1,802	(290)	1,508
Balance at end of period	23,220	20,381	106,763	(13,351)	137,014

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	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	12,213	1,639	1,378	(500)	14,730	210	17,225	167,671
Changes during period								
Dividends of surplus								(2,063)
Profit attributable to owners of parent								3,862
Purchase of treasury shares								(300)
Disposal of treasury shares								6
Reversal of revaluation reserve for land								2
Net changes in items other than shareholders' equity	(1,736)	(2)	111	(78)	(1,706)	13	(195)	(1,889)
Total changes during period	(1,736)	(2)	111	(78)	(1,706)	13	(195)	(380)
Balance at end of period	10,476	1,636	1,489	(578)	13,023	224	17,029	167,291

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Cash flows from operating activities		
Profit before income taxes	9,162	5,507
Depreciation	4,056	3,788
Amortization of goodwill	3	-
Share of loss (profit) of entities accounted for using equity method	(394)	(475)
Increase (decrease) in retirement benefit liability	399	74
Increase (decrease) in provision for retirement benefits for directors (and other officers)	0	13
Increase (decrease) in provision for bonuses	(85)	(47)
Increase (decrease) in allowance for doubtful accounts	(16)	(1)
Interest and dividend income	(1,421)	(1,224)
Interest expenses	80	81
Insurance claim income	(177)	(371)
Loss (gain) on sales of investment securities	(2,017)	(1,028)
Loss (gain) on valuation of investment securities	44	1,905
Loss (gain) on valuation of derivatives	-	653
Loss (gain) on sales and retirement of non-current assets	53	92
Loss on disaster	651	214
Impairment loss	6	0
Decrease (increase) in trade receivables	(238)	4,915
Decrease (increase) in inventories	529	249
Increase (decrease) in trade payables	(199)	(4,955)
Increase (decrease) in accrued consumption taxes	300	(215)
Other, net	(370)	(1,034)
Subtotal	10,367	8,143
Proceeds from insurance income	163	371
Interest and dividends received	1,508	1,311
Interest paid	(80)	(81)
Payments associated with disaster loss	(102)	(609)
Income taxes paid	(3,582)	(3,209)
Net cash provided by (used in) operating activities	8,273	5,927

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Cash flows from investing activities		
Investments in time deposits with a maturity of more than three months	(4,385)	(6,667)
Proceeds from time deposits with a maturity of more than three months	3,727	5,896
Proceeds from sales and redemption of securities	1,600	1,700
Purchase of property, plant and equipment	(2,281)	(2,691)
Proceeds from sales of property, plant and equipment	0	0
Purchase of intangible assets	(182)	(314)
Purchase of investment securities	(3,027)	(607)
Proceeds from sales and redemption of investment securities	5,500	1,421
Loan advances	(19)	(200)
Collection of loans receivable	300	52
Other, net	-	1
Net cash provided by (used in) investing activities	1,232	(1,407)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	327	283
Repayments of lease obligations	(763)	(14)
Proceeds from sales of treasury shares	0	0
Purchase of treasury shares	(440)	(297)
Dividends paid	(2,095)	(2,083)
Dividends paid to non-controlling interests	(1,005)	(154)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(2)	-
Net cash provided by (used in) financing activities	(3,979)	(2,265)
Effect of exchange rate change on cash and cash equivalents	(485)	87
Net increase (decrease) in cash and cash equivalents	5,039	2,341
Cash and cash equivalents at beginning of period	27,277	32,316
Cash and cash equivalents at end of period	* 32,316	* 34,658

(5) Notes to Consolidated Financial Statements**Going-concern Assumption**

Not applicable.

Significant Accounting Policies in the Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 7

Takada Kozai Kogyo Co., Ltd.
 Sheng Yu Steel Co., Ltd. (SYSCO)
 Yodoko Shoji Co., Ltd.
 Keiyo Tekko Futo Co., Ltd.
 Yodoko Kohatsu Co., Ltd.
 Yodogawa-Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS)
 PCM Processing (Thailand) Ltd. (PPT)

(2) Names of major non-consolidated subsidiaries

Yodoko Kosan Co., Ltd., Yodogawa-Fuyo Co.,Ltd., Yodoko International Ltd. (YIL), Yodoko Building Materials (Hangzhou) Co.,Ltd. (YBMH)

The sum of total assets, sales, profit or loss (equity-method amount), retained earnings (equity-method amount) and other financial items of non-consolidated subsidiaries is small in relation to all of the corresponding consolidated figures.

Consequently, these subsidiaries are excluded from consolidation because they would not have a material impact on the consolidated financial statements.

2. Application of equity method

(1) Number of non-consolidated subsidiaries and affiliates accounted for using the equity method and names of major companies

Non-consolidated subsidiaries: None

Affiliates: 1 SADOSHIMA CORPORATION

(2) Names of major non-consolidated subsidiaries and affiliates not accounted for using the equity method and reason for exclusion

Non-consolidated subsidiaries: Yodoko Kosan Co., Ltd., Yodogawa-Fuyo Co.,Ltd., Yodoko International Ltd. (YIL), Yodoko Building Materials (Hangzhou) Co.,Ltd. (YBMH)

Affiliates: FUJIDEN INTERNATIONAL CORP.

The profit or loss (equity-method amount), retained earnings (equity-method amount) and other financial items of the non-consolidated subsidiaries and affiliates not accounted for using the equity method are negligible and the sum of these items for all of these subsidiaries and affiliates is immaterial in relation to the consolidated financial statements.

Consequently, the cost method is used for the valuation of investments in these companies and the equity method is not used.

3. Fiscal year-end of consolidated subsidiaries

For consolidated subsidiaries, the fiscal year-end of SYSCO, YSS and PPT is the end of December. For the preparation of the consolidated financial statements, the financial statements as of the end of December are used for SYSCO, YSS and PPT. Consolidation adjustments are then made as needed for any significant transactions that occurred between January 1 and March 31, the end of the consolidated fiscal year.

4. Significant accounting policies

(1) Valuation standards and methods for significant assets

1) Securities

i. Held-to-maturity debt securities

Stated at amortized cost (the straight-line method)

ii. Available-for-sale securities

With market quotations

Stated at fair value based on the market price at the end of the fiscal year (Unrealized gain or loss, net of applicable income taxes, are included directly in net assets, and cost of securities sold is determined by the moving-average method.

Without market quotations

Stated at cost determined by the moving-average method

2) Derivatives

Stated at fair value

3) Inventories

Primarily stated at cost determined by the gross average method (The carrying value on the balance sheet is written down to reflect declines in profitability.)

The overseas subsidiaries apply primarily the cost method based on the moving-average method.

(2) Depreciation and amortization methods for significant depreciable assets

1) Property, plant and equipment (excluding lease assets)

Yodogawa Steel and domestic consolidated subsidiaries apply the declining-balance method. The overseas consolidated subsidiaries apply the straight-line method.

However, Yodogawa Steel and domestic consolidated subsidiaries apply the straight-line method for depreciation of buildings acquired on or after April 1, 1998 (excluding facilities attached to buildings) and facilities attached to buildings and structures acquired on or after April 1, 2016.

The major useful lives of property, plant and equipment are as follows:

Buildings and structures	3 to 60 years
Machinery, equipment and vehicles	3 to 36 years

2) Intangible assets (excluding lease assets)

Straight-line method is applied.

Software for internal use is amortized by the straight-line method over an estimated useful life of five years.

3) Lease assets

Lease assets associated with finance lease transactions that transfer ownership

The same method as the depreciation method used for non-current assets held by Yodogawa Steel is applied.

Lease assets associated with finance lease transactions that do not transfer ownership

The straight-line method is applied over the lease period used as the useful life of the assets with no residual value.

(3) Accounting for significant allowances

1) Allowance for doubtful accounts

To prepare for credit losses on accounts receivable-trade and loans receivables, an allowance equal to the estimated amount of uncollectible receivables is provided for general receivables based on the historical write-off ratio, and bad receivables based on a case-by-case determination of collectibility.

2) Provision for bonuses

To provide for accrued bonuses for employees, an allowance is provided at the amount based on the estimated bonus obligations in the current fiscal year.

3) Provision for retirement benefits for directors (and other officers)

To provide for directors' retirement benefits obligation, an allowance is provided at an amount required to be paid at the fiscal year-end in accordance with the internal rules on directors' retirement benefits at domestic consolidated subsidiaries.

(4) Accounting method for retirement benefits

1) Method of attributing estimated retirement benefits to periods

In calculation of retirement benefit obligations, Yodogawa Steel uses the straight-line method for attributing estimated retirement benefits to period up to the end of the current fiscal year.

2) Amortization of actuarial differences and past service cost

Past service cost is amortized and expensed by the straight-line method over a certain period (mainly 10 years) within the average remaining years of service of the eligible employees when incurred.

Actuarial differences are amortized by the straight-line method over a certain period (mainly 10 years) within the average remaining years of service of the eligible employees when incurred and expensed in the year following the fiscal year in which such differences are recognized.

3) Adoption of the simplified method in small-scale companies

Some consolidated subsidiaries calculate retirement benefit liability and retirement benefit expenses by using a simplified

method in which the retirement benefit obligations are equal to the amount that would be paid if all employees voluntarily requested retirement benefits at the end of the fiscal year.

(5) Recognition of significant revenues and expenses

Recognition criteria for recording amount and cost of completed construction contracts

- 1) For contracted work of which the outcome by the end of the current fiscal year can be reliably estimated, the percentage-of-completion method (with the percentage of completion estimated on the cost-to-cost basis) is applied.
- 2) The completed-contract method is applied to other contracted work.

(6) Translation of significant foreign currency-denominated assets and liabilities

Foreign currency-denominated receivables and payables are translated into Japanese yen at the spot exchange rate on the consolidated balance sheet date and resulting exchange gains or losses are recognized in profit or loss. Assets and liabilities of overseas subsidiaries are translated into Japanese yen at the spot exchange rate of their balance sheet dates, and income and expenses are translated into Japanese yen at the average exchange rates for the period. The resulting exchange gains or losses are included in foreign currency translation adjustment and non-controlling interests under the net assets section.

(7) Method of significant hedge accounting

1) Hedging method

The deferred hedge accounting is used. However, the allocation method is used for forward exchange contracts that meet certain hedge accounting criteria.

2) Hedging instruments and hedged items

Hedging instruments:	Hedged items:
Forward exchange contracts	Receivables and payables denominated in foreign currencies

3) Hedging policy

Hedging is used to reduce risk exposure for hedged items.

4) Method for assessing hedge effectiveness

For foreign currency-denominated receivables and payables with forward exchange contracts, the assessment of hedge effectiveness is omitted because hedges are assumed to completely offset changes in cash flows since the significant terms for hedging instruments and hedged items are the same.

(8) Amortization method and period of goodwill

Goodwill is amortized using the straight-line method over a period of five years.

(9) Cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents consists of cash on hand, deposits that can be withdrawn on demand, and short-term investments, with maturities of three months or less, that are readily convertible to cash and present insignificant risk of change in value.

(10) Accounting for consumption taxes

All amounts stated are exclusive of national and local consumption taxes. Non-deductible national and local consumption taxes are changed to expenses in the current fiscal year.

Changes in Accounting Policies

Beginning with the fiscal year ended March 31, 2020, Yodogawa Steel Works has applied the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements (Practical Issues Task Force (PITF) No. 18, June 28, 2019) and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (PITF No. 24, September 14, 2018). When International Financial Reporting Standard No. 9 “Financial Instruments” is used for foreign subsidiaries, etc. and the option of including in other comprehensive income subsequent revisions to the fair values of equity instruments has been selected, then for the preparation of the consolidated financial statements, the amounts of gains or losses and of asset impairment charges concerning these equity instruments are included in the statement of income for the applicable fiscal year.

This change had no effect on the consolidated statement of income for the fiscal year ended March 31, 2020.

Notes to Consolidated Balance Sheet***1. Assets pledged as collateral and liabilities with collateral**

Assets pledged as collateral are as follows:

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Cash and deposits	60	60
Investment securities	6	6
Other (Investment and other assets)	37	38
Total	104	105

Liabilities with collateral are as follows:

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Other current liabilities	50	52

***2. The following items are applicable to non-consolidated subsidiaries and affiliates.**

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Investment securities (stocks)	5,796	6,096

3. Contingent liabilities

Guaranteed debt

Debt guarantees are provided for loans from financial institutions and other lenders to companies other than consolidated subsidiaries.

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
YBMH	121	-

***4. In accordance with the Act on Revaluation of Land (Act No. 34, March 31, 1998), some consolidated subsidiaries and equity-method affiliates reevaluated land used for business operations. The equity-method portion of the land revaluation difference resulting from this reevaluation is included in net assets as a revaluation reserve for land.**

- Method of revaluation: Revaluation is conducted in accordance with Article 2, Paragraph 3 and 4 of the Order for Enforcement of the Act on Revaluation of Land (Cabinet Order No. 119, promulgated on March 31, 1998).

- Date of revaluation: March 31, 2000

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Difference between the market value of land for revaluation and book value of the said land after revaluation	(326)	(320)
Portion of difference for leased land, etc.	(12)	(10)

- Date of revaluation: March 31, 2002

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Difference between the market value of land for revaluation and book value of the said land after revaluation	(455)	(455)
Portion of difference for leased land, etc.	(278)	(278)

*5. Notes matured at the end of the fiscal year

With respect to accounting for notes matured at the end of the fiscal year, though the previous fiscal year-end fell on a holiday for financial institutions, they were treated as though they were settled on the maturity date. The amounts of notes matured at the end of the fiscal year are as follows.

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Notes receivable-trade	1,195	-
Notes payable-trade	414	
Current liabilities (other) (Notes payable-facilities)	7	

6. Yodogawa Steel has committed line agreements with a number of financial institutions in order to procure funds for working capital whenever needed. The unused balance under the commitment lines of credit at the end of the fiscal year is as follows.

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Total commitment line of credit	16,610	15,750
Credit used	-	-
Unused balance	16,610	15,750

Notes to Consolidated Statement of Income

*1. The ending inventory is the amount written down to reflect decline in profitability. The following loss on valuation of inventories is included in cost of sales.

	(Millions of yen)	
	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
	325	8

*2. Major items and amounts of selling, general and administrative expenses are as follows:

	(Millions of yen)	
	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Freightage expenses	5,013	4,804
Salaries and allowances	4,398	4,202
Provision for bonuses	347	327
Retirement benefit expenses	238	203

*3. Total amount of research and development expenses included in general and administrative expenses

	(Millions of yen)	
	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
	462	440

*4. Breakdown of gain on sales of non-current assets is as follows:

	(Millions of yen)	
	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Machinery, equipment and vehicles	-	0
Other (property, plant and equipment)	-	0
Total	-	0

*5. Breakdown of loss on sales and retirement of non-current assets is as follows:

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Buildings and structures	3	42
Machinery, equipment and vehicles	45	36
Other (property, plant and equipment)	4	8
Other (intangible assets)	0	4
Total	53	92

*6. The Yodogawa Steel Group recognized an impairment loss on the following asset groups.

FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

Location	Use	Type	Amount
Chonburi, Thailand	-	Goodwill	3
Miyazaki City, Miyazaki	Idle assets	Land	2
Suzaka City, Nagano	Idle assets	Land	0

Yodogawa Steel and its consolidated subsidiaries group assets based on asset classifications used for managerial accounting for monitoring the performance of businesses on a regular basis. There was an impairment loss of 3 million yen on goodwill associated with PPT. In the fiscal year ended March 31, 2019, for idle assets with no prospects for use in the future where the market value has decreased, the book value was written down to the recoverable amount and this impairment loss of 2 million yen (all for land) was recognized as an extraordinary loss. For the recoverable amount, net selling prices are calculated based on property tax valuations.

FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

Location	Use	Type	Amount
Miyazaki City, Miyazaki	Idle assets	Land	0
Suzaka City, Nagano	Idle assets	Land	0

Yodogawa Steel and its consolidated subsidiaries group assets based on asset classifications used for managerial accounting for monitoring the performance of businesses on a regular basis. In the fiscal year ended March 31, 2020, for idle assets with no prospects for use in the future where the market value has decreased, the book value was written down to the recoverable amount and this impairment loss of 0 million yen (all for land) was recognized as an extraordinary loss. For the recoverable amount, net selling prices are calculated based on property tax valuations.

Notes to Consolidated Statement of Comprehensive Income

* Reclassification adjustments and tax effect with respect to other comprehensive income

	(Millions of yen)	
	FY3/19	FY3/20
	(Apr. 1, 2018 to Mar. 31, 2019)	(Apr. 1, 2019 to Mar. 31, 2020)
Valuation difference on available-for-sale securities:		
Amount incurred during the year	(3,626)	(2,996)
Reclassification adjustments	(1,971)	877
Before tax effect adjustments	(5,598)	(2,119)
Tax effect	1,387	510
Valuation difference on available-for-sale securities	(4,210)	(1,608)
Foreign currency translation adjustment:		
Amount incurred during the year	(2,303)	281
Reclassification adjustments	-	-
Before tax effect adjustments	(2,303)	281
Tax effect	-	-
Foreign currency translation adjustment	(2,303)	281
Remeasurements of defined benefit plans, net of tax:		
Amount incurred during the year	468	(402)
Reclassification adjustments	389	417
Before tax effect adjustments	857	14
Tax effect	(188)	29
Remeasurements of defined benefit plans, net of tax	669	44
Share of other comprehensive income of entities accounted for using equity method:		
Amount incurred during the year	(58)	(88)
Reclassification adjustments	-	-
Share of other comprehensive income of entities accounted for using equity method	(58)	(88)
Total other comprehensive income	(5,903)	(1,371)

Notes to Consolidated Statement of Changes in Equity

FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)

1. Type and number of outstanding shares and treasury shares (Thousands of shares)

	Number of shares as of Apr. 1, 2018	Increase	Decrease	Number of shares as of Mar. 31, 2019
Outstanding shares				
Common stock	35,837	-	-	35,837
Total	35,837	-	-	35,837
Treasury shares				
Common stock (Notes 1 and 2)	6,185	202	26	6,361
Total	6,185	202	26	6,361

Notes: 1. An increase of 202 thousand shares in the number of treasury shares is due to an increase of 200 thousand shares from the acquisition of treasury shares based on a resolution by the Board of Directors, an increase of 1 thousand shares from the purchase of shares less than one unit, and the return of 1 thousand shares of treasury shares (Yodogawa Steel Works shares) that an equity-method affiliate had acquired.

2. The decrease of 26 thousand shares in the number of treasury shares is due to a decrease of 26 thousand shares to provide stock to individuals who exercised stock options and a decrease of 0 thousand shares due to the transfer of shares less than one unit in response to purchase requests.

2. Share acquisition rights and treasury share acquisition rights

Category	Details of share acquisition rights	Type of shares subject to share acquisition rights	Number of shares subject to share acquisition rights (Thousands of shares)			Balance as of Mar. 31, 2019 (Millions of yen)
			As of Apr. 1, 2018	Increase	Decrease	
Filing company (Parent)	Share acquisition rights as stock options	-	-	-	-	210
Total		-	-	-	-	210

3. Dividends

(1) Dividend payment

Resolution	Type of share	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Board of Directors' meeting on May 10, 2018	Common stock	1,197	40	Mar. 31, 2018	Jun. 25, 2018
Board of Directors' meeting on Nov. 2, 2018	Common stock	898	30	Sep. 30, 2018	Dec. 3, 2018

(2) Dividends with a record date in FY3/19 but an effective date in FY3/20

Resolution	Type of share	Total dividends (Millions of yen)	Source of funds	Dividend per share (Yen)	Record date	Effective date
Board of Directors' meeting on May 9, 2019	Common stock	1,190	Retained earnings	40	Mar. 31, 2019	Jun. 24, 2019

FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)

1. Type and number of outstanding shares and treasury shares (Thousands of shares)

	Number of shares as of Apr. 1, 2019	Increase	Decrease	Number of shares as of Mar. 31, 2020
Outstanding shares				
Common stock	35,837	-	-	35,837
Total	35,837	-	-	35,837
Treasury shares				
Common stock (Notes 1 and 2)	6,361	152	4	6,509
Total	6,361	152	4	6,509

Notes: 1. An increase of 152 thousand shares in the number of treasury shares is due to an increase of 149 thousand shares from the acquisition of treasury shares based on a resolution by the Board of Directors, an increase of 1 thousand shares from the purchase of shares less than one unit, and the return of 1 thousand shares of treasury shares (Yodogawa Steel Works shares) that an equity-method affiliate had acquired.

2. The decrease of 4 thousand shares in the number of treasury shares is due to a decrease of 4 thousand shares to provide stock to individuals who exercised stock options and a decrease of 0 thousand shares due to the transfer of shares less than one unit in response to purchase requests.

2. Share acquisition rights and treasury share acquisition rights

Category	Details of share acquisition rights	Type of shares subject to share acquisition rights	Number of shares subject to share acquisition rights (Thousands of shares)				Balance as of Mar. 31, 2020 (Millions of yen)
			As of Apr. 1, 2019	Increase	Decrease	As of Mar. 31, 2020	
Filing company (Parent)	Share acquisition rights as stock options	-	-	-	-	-	224
Total		-	-	-	-	-	224

3. Dividends

(1) Dividend payment

Resolution	Type of share	Total dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Board of Directors' meeting on May 9, 2019	Common stock	1,190	40	Mar. 31, 2019	Jun. 24, 2019
Board of Directors' meeting on Nov. 1, 2019	Common stock	892	30	Sep. 30, 2019	Dec. 2, 2019

(2) Dividends with a record date in FY3/20 but an effective date in FY3/21

Resolution	Type of share	Total dividends (Millions of yen)	Source of funds	Dividend per share (Yen)	Record date	Effective date
Board of Directors' meeting on May 12, 2020	Common stock	1,184	Retained earnings	40	Mar. 31, 2020	Jun. 24, 2020

Notes to Consolidated Statement of Cash Flows

* Reconciliation of cash and cash equivalents at the end of the fiscal year and amounts in the consolidated balance sheet

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Cash and deposits	36,843	32,650
Trust beneficiary rights included in current assets and other items	1,000	8,500
Time deposits with maturities over three months	(5,527)	(6,491)
Cash and cash equivalents	32,316	34,658

Segment Information

1. Overview of reportable segments

Segments used for financial reporting are the Yodogawa Steel Group's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.

The Yodogawa Steel Group has business divisions based on the products and services of Yodogawa Steel and its consolidated subsidiaries. Each division determines strategies and conducts business operations for its products and services. Accordingly, the Yodogawa Steel Group is composed of segments classified by products or services based on the business divisions and there are four reportable segments: Steel Sheet-related business, Roll business, Grating business and Real Estate business.

The Steel Sheet-related business manufactures and sells cold-rolled steel sheets, steel strips, plated steel sheets, galvanized steel sheets and other steel sheets, manufactures and sells building materials (roofing and printed products, liner panels, siding and other products) and exterior products (storage sheds, garages, bicycle parking units, trash receptacles and other products), and performs design and contracting for construction. The Roll business manufactures and sells rolls for section steel, rolls for non-ferrous metals and other products. The Grating business manufactures and sells gratings. The Real Estate business is engaged in leasing and buying and selling buildings, parking lots and other real estate.

2. Calculation method for net sales, profit/loss, assets, and other items for each reportable segment

The accounting methods for reportable segments are generally the same as those listed in "Significant Accounting Policies in the Preparation of Consolidated Financial Statements."

3. Information related to net sales, profit/loss, assets, and other items for each reportable segment

FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)

	Reportable segments					Others (Note 1)	Total	Adjustment	Amounts shown on the consolidated financial statements
	Steel Sheet-related Business	Roll Business	Grating Business	Real Estate Business	Total				
Net sales									
External sales	155,123	3,500	3,554	1,183	163,361	4,057	167,419	-	167,419
Inter-segment sales and transfers	-	-	-	442	442	2,508	2,950	(2,950)	-
Total	155,123	3,500	3,554	1,625	163,803	6,566	170,370	(2,950)	167,419
Segment profit (loss)	6,052	(77)	84	830	6,888	245	7,134	Note 2 (1,254)	Note 3 5,879
Segment assets	146,795	5,424	3,237	9,569	165,026	9,614	174,641	Note 4 34,823	209,465
Other items									
Depreciation	3,371	97	67	125	3,662	341	4,003	53	4,056
Investment in equity-method affiliates	4,629	-	403	3	5,036	-	5,036	-	5,036
Increases in property, plant and equipment and intangible assets	1,984	26	32	141	2,184	168	2,353	Note 5 71	2,424

Notes: 1. Others represent businesses which are not included in any of the reportable segments and mainly consist of transportation, warehouse, golf course, machinery plant, electric power (sale of solar power) and other businesses.

2. The adjustment to segment profit (loss) includes unallocated expenses of (1,253) million yen and an elimination for inter-segment transactions of (1) million yen.

3. Segment profit (loss) is adjusted to be consistent with the operating profit on the consolidated statement of income.

4. The adjustment to segment assets includes corporate assets of 35,161 million yen and an elimination for inter-segment transactions of (337) million yen.

5. The adjustment of 71 million yen to increases in property, plant and equipment and intangible assets is capital expenditures mainly for corporate tools, furniture and fixtures.

FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Reportable segments					Others (Note 1)	Total	Adjustment	Amounts shown on the consolidated financial statements
	Steel Sheet-related Business	Roll Business	Grating Business	Real Estate Business	Total				
Net sales									
External sales	142,418	2,833	3,481	1,205	149,939	4,127	154,066	-	154,066
Inter-segment sales and transfers	-	-	-	442	442	2,332	2,774	(2,774)	-
Total	142,418	2,833	3,481	1,647	150,381	6,460	156,841	(2,774)	154,066
Segment profit (loss)	5,898	(311)	80	847	6,515	186	6,702	Note 2 (1,213)	Note 3 5,489
Segment assets	142,409	4,345	3,278	9,279	159,312	9,105	168,417	Note 4 32,707	201,125
Other items									
Depreciation	3,142	93	57	132	3,424	304	3,729	59	3,788
Investment in equity-method affiliates	4,911	-	406	3	5,321	-	5,321	-	5,321
Increases in property, plant and equipment and intangible assets	1,889	130	2	101	2,123	184	2,308	Note 5 230	2,538

- Notes: 1. Others represent businesses which are not included in any of the reportable segments and mainly consist of transportation, warehouse, golf course, machinery plant, electric power (sale of solar power) and other businesses.
2. The adjustment to segment profit (loss) includes unallocated expenses of (1,214) million yen and an elimination for inter-segment transactions of 1 million yen.
3. Segment profit (loss) is adjusted to be consistent with the operating profit on the consolidated statement of income.
4. The adjustment to segment assets includes corporate assets of 32,976 million yen and an elimination for inter-segment transactions of (269) million yen.
5. The adjustment of 230 million yen to increases in property, plant and equipment and intangible assets is capital expenditures mainly for corporate tools, furniture and fixtures.

Per-share Information

(Yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Net assets per share	5,096.96	5,115.92
Net income per share	211.08	131.14
Diluted net income per share	210.20	130.60

Note: Basis for calculation of net income per share and diluted net income per share is as follows.

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Net income per share		
Profit attributable to owners of parent (Millions of yen)	6,254	3,862
Amount not available to common shareholders (Millions of yen)	-	-
Profit attributable to common shareholders of parent (Millions of yen)	6,254	3,862
Average number of common shares outstanding during period (Thousands of shares)	29,631	29,453
Diluted net income per share		
Adjustment to profit attributable to owners of parent (Millions of yen)	-	-
Increase in the number of common shares (Thousands of shares)	123	121
[of which share acquisition rights (Thousands of shares)]	[123]	[121]
Summary of potential stock not included in the calculation of diluted net income per share since there was no dilutive effect		-

Subsequent Events

Not applicable.

4. Non-consolidated Financial Statements**(1) Non-consolidated Balance Sheet**

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Assets		
Current assets		
Cash and deposits	20,306	14,657
Notes receivable-trade	2,360	2,007
Accounts receivable-trade	37,010	33,153
Securities	2,075	8,577
Merchandise and finished goods	12,591	12,652
Work in process	3,506	3,041
Raw materials and supplies	6,492	6,188
Prepaid expenses	66	57
Other	957	1,235
Allowance for doubtful accounts	(3)	(3)
Total current assets	85,364	81,567
Non-current assets		
Property, plant and equipment		
Buildings	7,495	7,335
Structures	743	693
Machinery and equipment	5,519	4,906
Vehicles	49	34
Tools, furniture and fixtures	396	354
Land	13,586	13,851
Construction in progress	183	187
Total property, plant and equipment	27,973	27,363
Intangible assets		
Software	105	181
Other	512	597
Total intangible assets	618	778
Investments and other assets		
Investment securities	31,127	27,476
Shares of subsidiaries and associates	27,903	27,896
Long-term loans receivable	329	1,224
Other	263	231
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	59,624	56,830
Total non-current assets	88,216	84,972
Total assets	173,580	166,540

	(Millions of yen)	
	FY3/19 (as of Mar. 31, 2019)	FY3/20 (as of Mar. 31, 2020)
Liabilities		
Current liabilities		
Notes payable-trade	2,990	3
Electronically recorded obligations-operating	-	2,340
Accounts payable-trade	11,518	7,864
Short-term borrowings	1,940	1,940
Accounts payable-other	819	337
Accrued expenses	2,278	1,976
Income taxes payable	1,576	124
Advances received	131	108
Deposits received	173	96
Provision for bonuses	841	793
Other	1,505	798
Total current liabilities	23,775	16,383
Non-current liabilities		
Provision for retirement benefits	5,504	5,691
Long-term guarantee deposited	1,280	1,330
Deferred tax liabilities	2,632	2,237
Asset retirement obligations	244	246
Other	287	283
Total non-current liabilities	9,948	9,789
Total liabilities	33,724	26,173
Net assets		
Shareholders' equity		
Share capital	23,220	23,220
Capital surplus		
Legal capital surplus	5,805	5,805
Other capital surplus	15,565	15,562
Total capital surpluses	21,370	21,367
Retained earnings		
Other retained earnings		
Reserve for advanced depreciation of non-current assets	897	863
Reserve for special depreciation	363	232
General reserve	71,382	71,382
Retained earnings brought forward	24,600	27,205
Total retained earnings	97,242	99,683
Treasury shares	(14,225)	(14,512)
Total shareholders' equity	127,608	129,759
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	12,037	10,383
Total valuation and translation adjustments	12,037	10,383
Share acquisition rights	210	224
Total net assets	139,856	140,367
Total liabilities and net assets	173,580	166,540

(2) Non-consolidated Statement of Income

(Millions of yen)

	FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)	FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)
Net sales	110,332	102,602
Cost of sales	90,095	82,857
Gross profit	20,236	19,745
Selling, general and administrative expenses	13,904	13,804
Operating profit	6,331	5,940
Non-operating income		
Interest income	311	277
Dividend income	2,017	1,043
Gain on sales of investment securities	2,046	1,028
Other	178	156
Total non-operating income	4,553	2,505
Non-operating expenses		
Interest expenses	64	64
Loss on valuation of derivatives	-	302
Other	263	315
Total non-operating expenses	327	683
Ordinary profit	10,558	7,763
Extraordinary income		
Gain on sales of non-current assets	-	0
Insurance claim income	43	104
Total extraordinary income	43	104
Extraordinary losses		
Loss on sales and retirement of non-current assets	31	62
Loss on valuation of investment securities	44	1,581
Impairment loss	2	0
Loss on disaster	617	30
Loss on valuation of shares of subsidiaries and associates	1,389	-
Total extraordinary losses	2,086	1,676
Profit before income taxes	8,515	6,191
Income taxes-current	2,965	1,513
Income taxes-deferred	(341)	154
Total income taxes	2,623	1,667
Profit	5,891	4,524

(3) Non-consolidated Statement of Changes in Equity

FY3/19 (Apr. 1, 2018 to Mar. 31, 2019)

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings				Total retained earnings
					Reserve for tax purpose reduction entry of non-current assets	Reserve for special depreciation	General reserve	Retained earnings brought forward	
Balance at beginning of period	23,220	5,805	15,582	21,387	931	499	71,382	20,633	93,447
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(34)			34	-
Reversal of reserve for special depreciation						(136)		136	-
Dividends of surplus								(2,095)	(2,095)
Profit								5,891	5,891
Purchase of treasury shares									
Disposal of treasury shares			(17)	(17)					
Net changes in items other than shareholders' equity									
Total changes during period	-	-	(17)	(17)	(34)	(136)	-	3,966	3,795
Balance at end of period	23,220	5,805	15,565	21,370	897	363	71,382	24,600	97,242

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(13,846)	124,209	16,093	16,093	223	140,526
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Reversal of reserve for special depreciation		-				-
Dividends of surplus		(2,095)				(2,095)
Profit		5,891				5,891
Purchase of treasury shares	(440)	(440)				(440)
Disposal of treasury shares	61	43				43
Net changes in items other than shareholders' equity			(4,055)	(4,055)	(13)	(4,069)
Total changes during period	(379)	3,399	(4,055)	(4,055)	(13)	(669)
Balance at end of period	(14,225)	127,608	12,037	12,037	210	139,856

FY3/20 (Apr. 1, 2019 to Mar. 31, 2020)

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings				Total retained earnings
				Reserve for tax purpose reduction entry of non-current assets	Reserve for special depreciation	General reserve	Retained earnings brought forward		
Balance at beginning of period	23,220	5,805	15,565	21,370	897	363	71,382	24,600	97,242
Changes during period									
Reversal of reserve for tax purpose reduction entry of non-current assets					(34)			34	-
Reversal of reserve for special depreciation						(130)		130	-
Dividends of surplus								(2,083)	(2,083)
Profit								4,524	4,524
Purchase of treasury shares									
Disposal of treasury shares			(3)	(3)					
Net changes in items other than shareholders' equity									
Total changes during period	-	-	(3)	(3)	(34)	(130)	-	2,605	2,440
Balance at end of current period	23,220	5,805	15,562	21,367	863	232	71,382	27,205	99,683

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(14,225)	127,608	12,037	12,037	210	139,856
Changes during period						
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Reversal of reserve for special depreciation		-				-
Dividends of surplus		(2,083)				(2,083)
Profit		4,524				4,524
Purchase of treasury shares	(297)	(297)				(297)
Disposal of treasury shares	10	6				6
Net changes in items other than shareholders' equity			(1,653)	(1,653)	13	(1,639)
Total changes during period	(287)	2,150	(1,653)	(1,653)	13	510
Balance at end of period	(14,512)	129,759	10,383	10,383	224	140,367

This summary report is solely a translation of "Kessan Tanshin" (in Japanese, including the attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.