

(Billions of yen, rounded down to the nearest 10 million yen)

	1H FY3/22	1H FY3/21	Change		Remarks
			Change	Change (%)	
Net sales	93.87	67.46	26.40	39.1%	Net sales Increase in sales due to recovery in sales of steel sheets both in Japan and overseas
Gross profit	14.96	11.37	3.59		
Selling, general and administrative expenses	9.30	8.31	0.99		
Operating profit	5.65	3.05	2.60	85.3%	Operating profit Japan: Lower due to higher expenses Overseas: Higher due to improved performance Non-operating expenses (income) Increases in dividend income, share of profit of entities accounted for using equity method and other items
Non-operating income	1.62	1.29	0.32		
Non-operating expenses	0.14	0.14	0.00		
Ordinary profit	7.13	4.20	2.92	69.5%	
Extraordinary income	0.01	0.01	0.00		
Extraordinary losses	0.08	0.04	0.03		
Profit before income taxes	7.07	4.17	2.89	69.4%	
Income taxes	1.74	1.31	0.42		
Profit attributable to non-controlling interests	1.22	(0.04)	1.26		
Profit attributable to owners of parent	4.11	2.91	1.19	41.1%	Comprehensive income 1H FY3/22: Profit of 5.3 billion yen, valuation difference on available-for-sale securities of (1.7) billion yen, foreign currency translation adjustment of 2.9 billion yen
EPS (Yen/Share)	142.74 yen	99.75 yen	42.99 yen		
Comprehensive income	6.63	8.56	(1.92)		

*Yodogawa Steel started applying Accounting Standard for Revenue Recognition from FY3/22. This standard has been applied retrospectively for FY3/21.

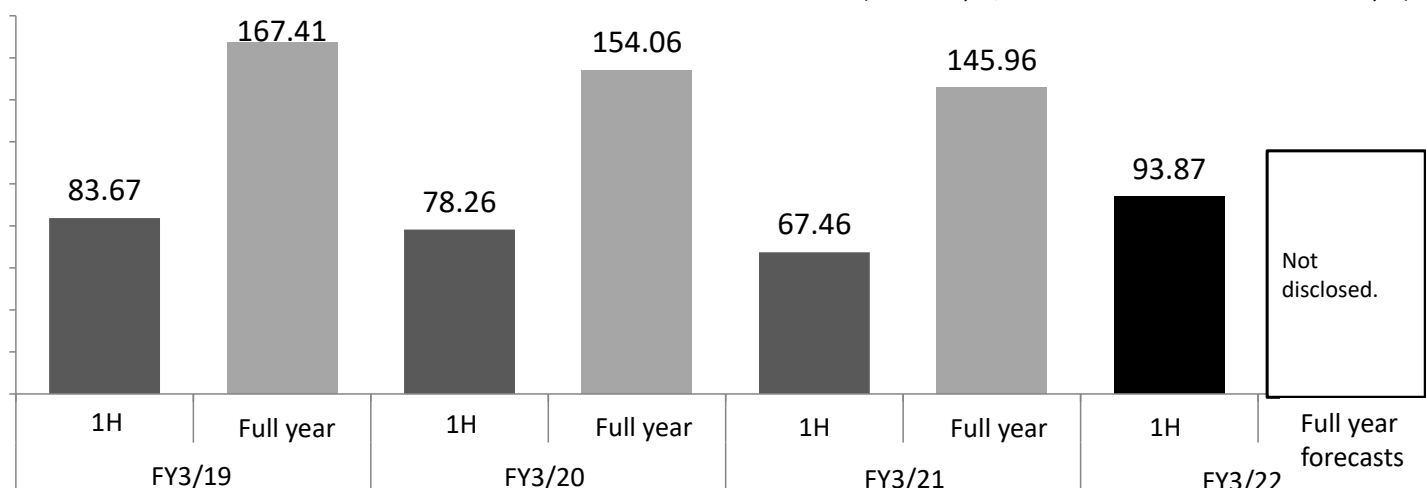
(Billions of yen, rounded down to the nearest 10 million yen)

1H FY3/22	Results	Forecasts (Announced in August 2021)	Differences
Net sales	93.87	92.00	1.87
Operating profit	5.65	5.00	0.65
Ordinary profit	7.13	6.40	0.73
Profit attributable to owners of parent	4.11	3.60	0.51

Remarks

- The earnings forecasts used conservative assumptions for the cost of resources, energy and other expenses.

(Billions of yen, rounded down to the nearest 10 million yen)



Breakdown of the 26.4 billion yen increase in net sales:

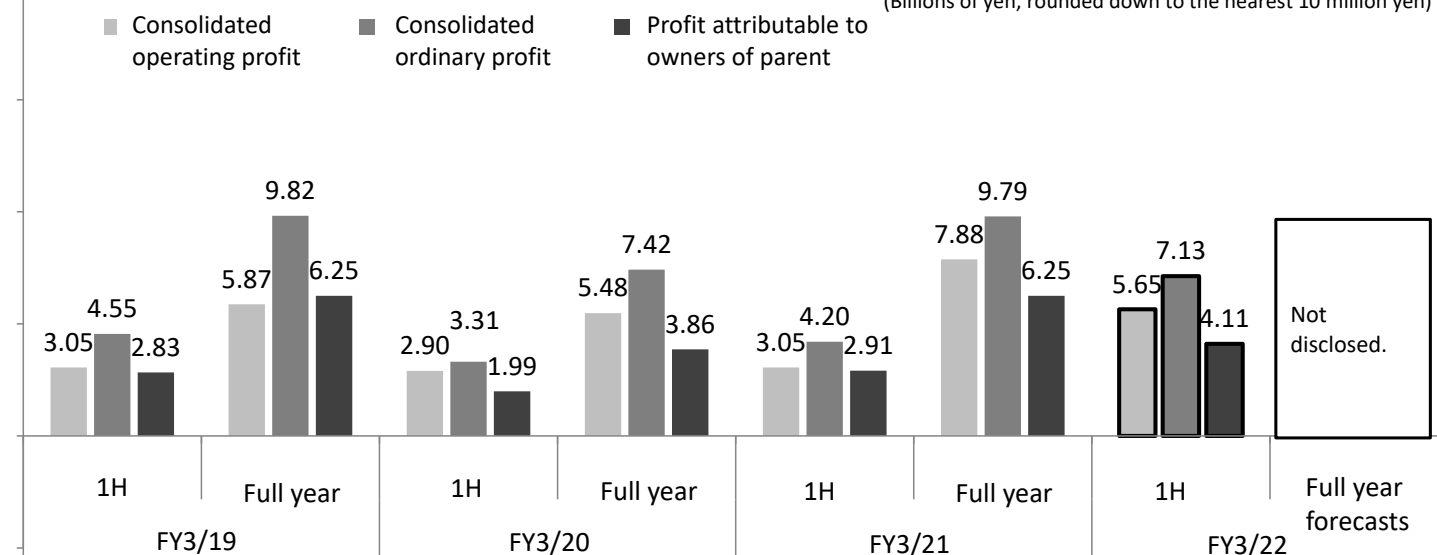
- Yodogawa Steel Works: +12 billion yen (46.4 → 58.4)
Mainly due to a recovery in sales of steel sheets. Sales of exterior products were steady.
- Taiwan subsidiary Sheng Yu Steel Co., Ltd. (SYSCO): +10.3 billion yen (15.0 → 25.4)
Primarily due to a recovery in sales in Taiwan and export sales (mainly Canada)
- Chinese subsidiary Yodogawa Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS): +3.6 billion yen (3.0 → 6.7)
Increasing sales activities to become profitable; higher sales volumes to building materials companies and home appliance manufacturers affiliated with Japanese companies
- Thai subsidiary PCM Processing (Thailand) Ltd. (PPT): +0.4 billion yen (1.6 → 2.0)
Sales of value-added products were solid.

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(Billions of yen, rounded down to the nearest 10 million yen)



Breakdown of the 2.6 billion yen increase in operating profit:

- Yodogawa Steel Works: (1.0) billion yen (3.5 → 2.5)
Although sales volume increased, earnings were down because expenses were higher.
- SYSCO: +2.89 billion yen ((0.08) → 2.8)
An improvement in profitability due to a higher sales volume as market conditions recovered and higher selling prices
- YSS: +0.55 billion yen ((0.46) → 0.09)
Became profitable because of higher sales of value-added products (GL Color series)
- PPT: +0.04 billion yen ((0.02) → 0.01)
Focusing on raising selling prices to reflect the higher cost of raw materials

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(Billions of yen, rounded down to the nearest 10 million yen)

	Net sales			Segment profit		
	1H FY3/22	1H FY3/21	Change (%)	1H FY3/22	1H FY3/21	Change (%)
Steel Sheet-related	89.80	63.28	41.9%	5.53	3.25	69.7%
Roll	1.16	1.40	(16.8)%	0.04	(0.13)	-
Grating	1.66	1.59	4.1%	0.05	0.04	10.5%
Real Estate	0.62	0.61	1.3%	0.41	0.43	(4.5)%
Total reportable segments	93.26	66.90	39.4%	6.04	3.61	67.3%
Others	0.60	0.56	7.5%	0.19	0.05	252.7%
Total	93.87	67.46	39.1%	6.23	3.66	70.1%
Adjustment				(0.57)	(0.61)	
Amounts shown on the consolidated statement of income	93.87	67.46	39.1%	5.65	3.05	85.3%

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(Billions of yen, rounded down to the nearest 10 million yen)

	As of Sep. 30, 2021	As of Mar. 31, 2021	Change		Remarks
				Change (%)	
Total assets	228.46	226.00	2.45	1.1%	Assets
Current assets	125.62	123.81	1.80	1.5%	(Current) Increase in trade receivables, inventories, etc.
Non-current assets	102.83	102.18	0.65	0.6%	(Non-current) Increase in property, plant and equipment, decrease in valuation of investment securities, etc.
Liabilities	43.04	45.70	(2.66)	(5.8)%	Liabilities
Current liabilities	27.34	28.37	(1.02)	(3.6)%	(Current) Increase in trade payables, decrease in income taxes payable, etc.
Non-current liabilities	15.69	17.33	(1.64)	(9.5)%	(Non-current) Decrease in retirement benefit liability, etc.
Net assets	185.42	180.29	5.12	2.8%	Shareholders' equity
Shareholders' equity	143.26	140.06	3.20	2.3%	1H FY3/22: Profit of 4.11 billion yen, dividends of (1.15) billion yen, etc.
Accumulated other comprehensive income	22.58	22.41	0.17	0.8%	Accumulated other comprehensive income
Non-controlling interests	19.35	17.59	1.76	10.0%	Decrease in valuation difference on available-for-sale securities
BPS (Yen/Share)	5,756.16 yen	5,416.59 yen	339.57 yen		
Shareholders' equity	165.85	162.47	3.37	2.1%	
Equity ratio	72.6%	71.9%	0.7pt		

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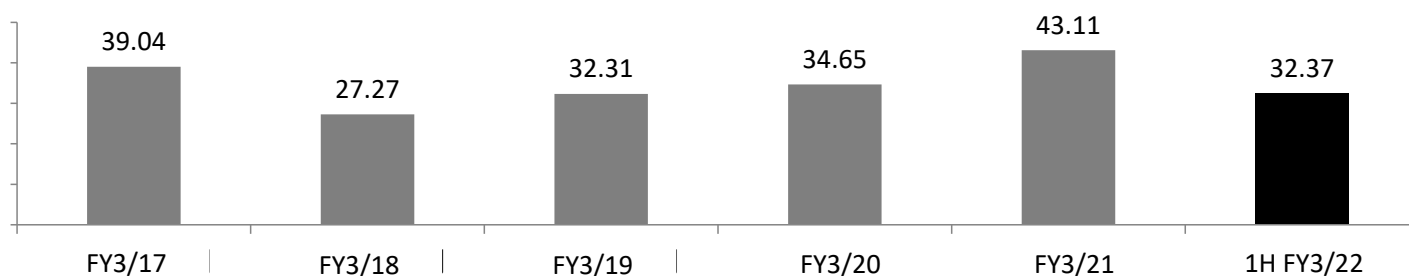
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(Billions of yen, rounded down to the nearest 10 million yen)

	1H FY3/22	1H FY3/21	YoY		Remarks (Amount shown is approximate)
			Change	Change (%)	
Cash flows from operating activities	(7.13)	8.82	(15.96)	-	Increase in trade receivables, inventories, etc.
Cash flows from investing activities	(3.07)	(0.71)	(2.36)	-	Increase in purchase of property, plant and equipment, etc.
Cash flows from financing activities	(1.52)	(2.40)	0.88	-	1H FY3/22: Dividends paid of (1.16) billion yen, etc.
Cash and cash equivalents	32.37	40.38	(8.01)	(19.8)%	

(Billions of yen)

Cash and cash equivalents at end of period



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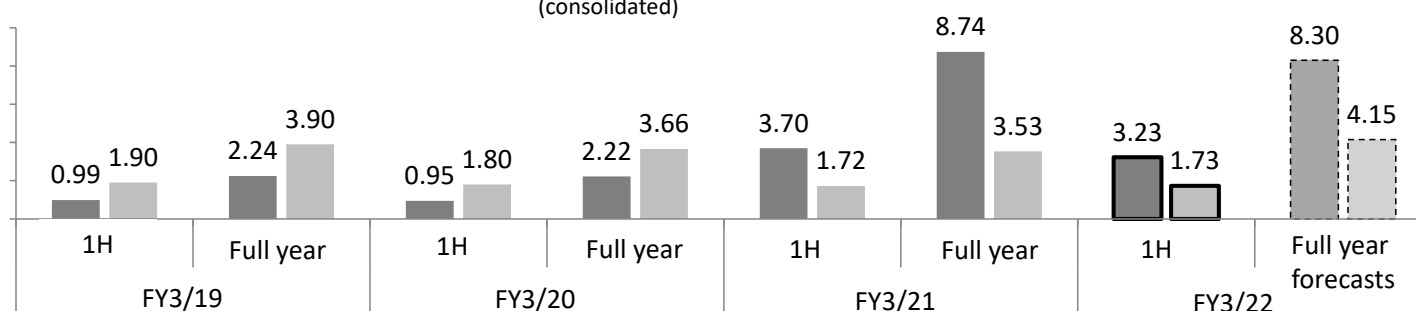
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(Property, plant and equipment including construction in progress) (Billions of yen, rounded down to the nearest 10 million yen)

	1H FY3/22	1H FY3/21	YoY		Remarks (Amounts shown are approximate)
			Change	Change (%)	
Capital expenditures (consolidated)	3.23	3.70	(0.47)	(12.7)%	2 billion yen (construction in progress) for a new plant at Fukui Yodoko, etc.
Depreciation (consolidated)	1.73	1.72	0.00	0.3%	No significant changes
Capital expenditures (non-consolidated)	0.96	2.10	(1.13)	(54.2)%	1H FY3/21: Kashiwai company housing of 1.2 billion yen (construction in progress), etc.
Depreciation (non-consolidated)	0.84	0.94	(0.10)	(10.9)%	No significant changes

(Billions of yen)

■ Capital expenditures (consolidated) ■ Depreciation (consolidated)



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(Billions of yen, rounded down to the nearest 10 million yen)

	Companies	Projects	Completion date (incl. scheduled completion date)	Total investments (based on book value)
FY3/22	Yodogawa Steel Works	Replacement of Ichikawa Plant office building	January 2022	0.99
	Yodogawa Steel Works	Update of no. 5 plating line drive system at Kure Plant	December 2021	0.39
	Fukui Yodoko	Construction of a new plant (Phase 1)	October 2021	4.90
After FY3/22	Fukui Yodoko	Construction of a new plant (Phase 2)	Autumn 2022	2.75

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10 Consolidated Forecasts

Yodogawa Steel Works, Ltd.

(Billions of yen, rounded down to the nearest 10 million yen)

	FY3/22	Full year forecasts		1H results		(Reference) 2H forecasts	
			YoY		YoY		YoY
Consolidated	Net sales			93.87	26.40		
	Operating profit	Not disclosed.		5.65	2.60	Not disclosed.	
	Ordinary profit			7.13	2.92		
	Profit attributable to owners of parent			4.11	1.19		
Profit	2.64			5.39			
Non-consolidated	Net sales			58.49	12.00		
	Operating profit			2.55	(1.02)		
	Ordinary profit			3.69	(1.05)		
	Profit			2.64	5.39		

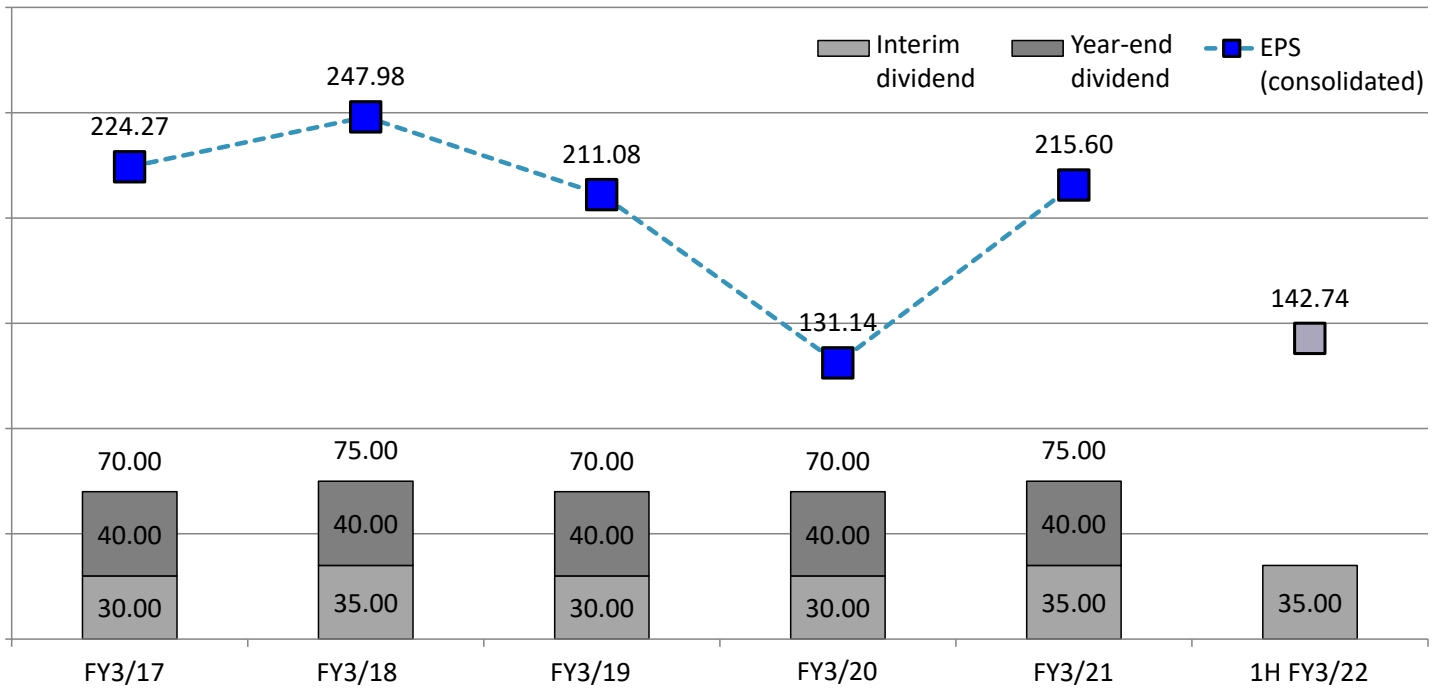
- Determining a reliable forecast at this time is not possible because of the extreme uncertainty of the outlook for steel prices in Japan and other countries and other aspects of the business climate.

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(Yen/Shares)

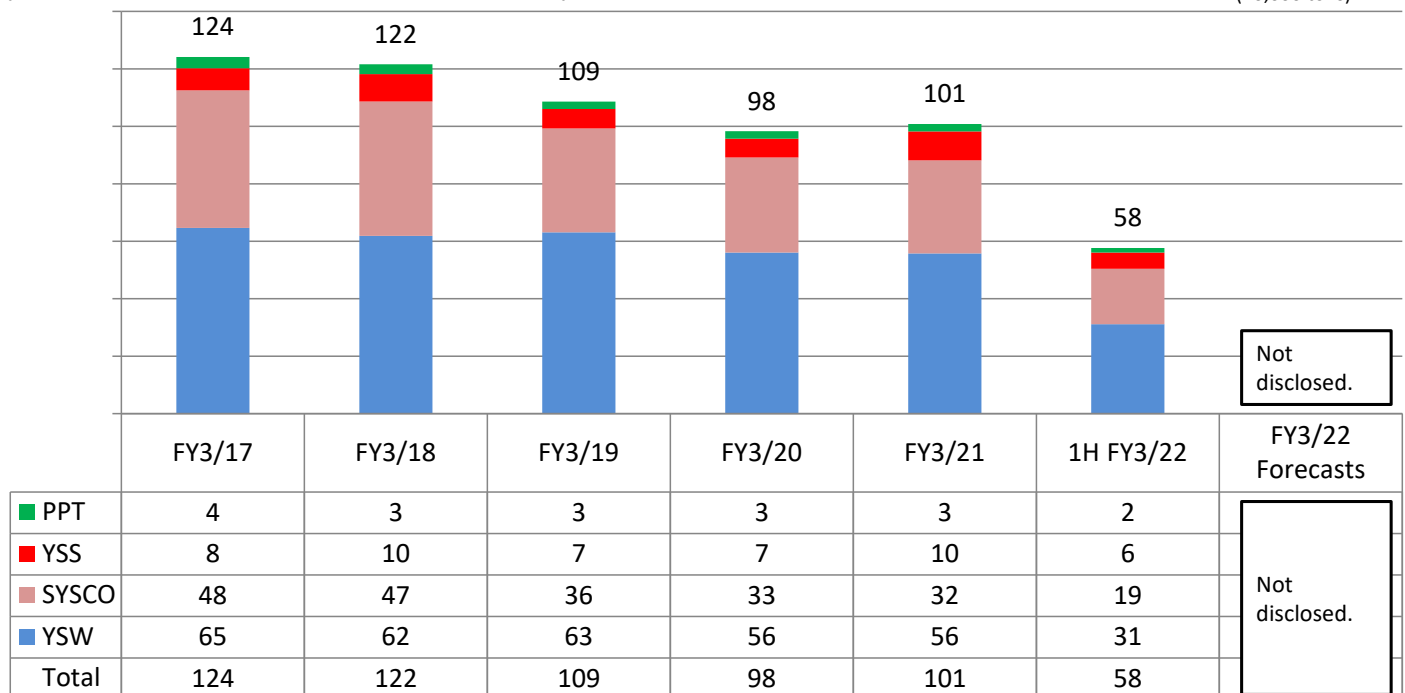


- The interim dividend will be 35 yen
- No year-end dividend forecast has been disclosed

12 Reference (1)

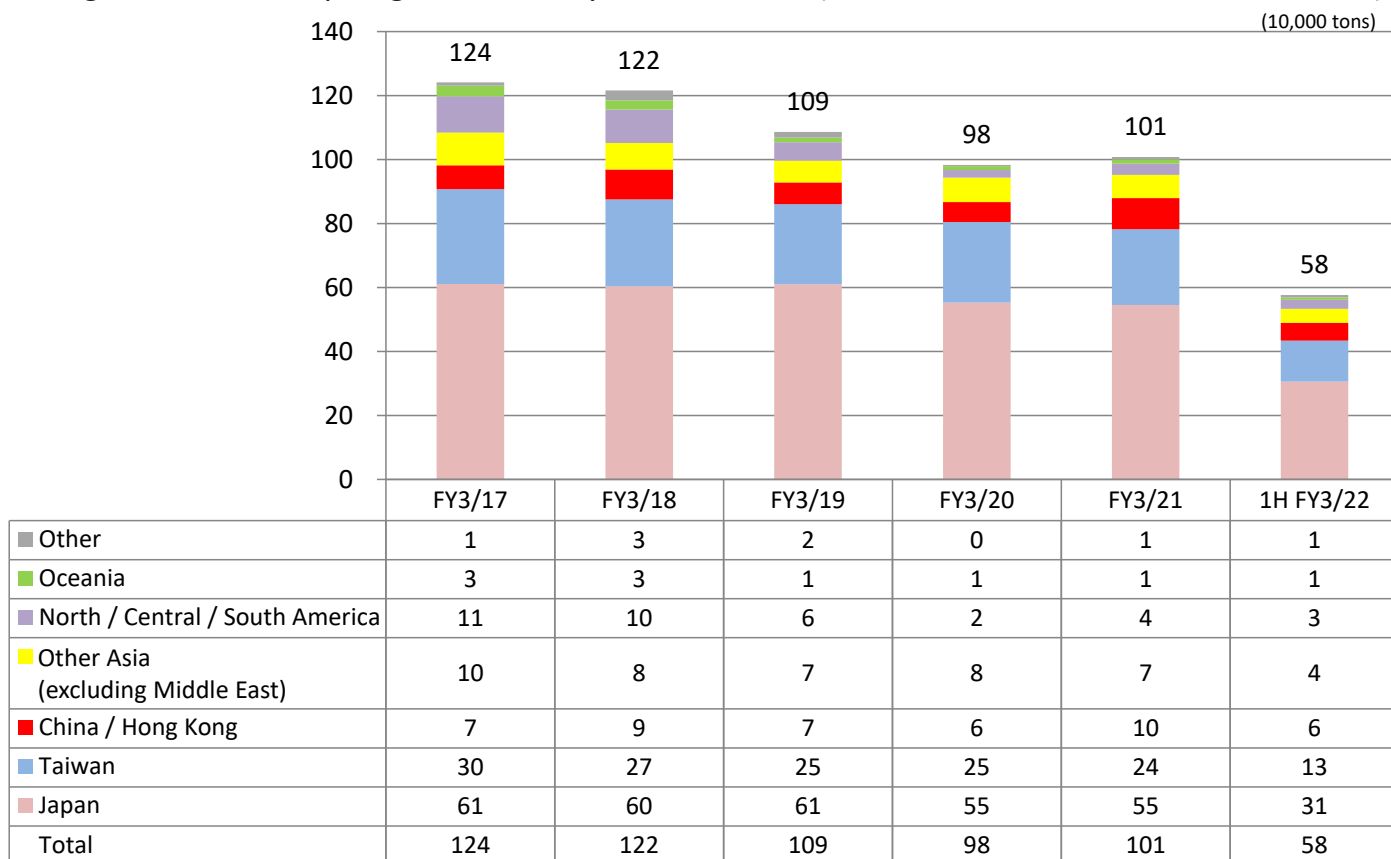
Yodogawa Steel Group Primary Sales Volume of Steel Sheet Products (before eliminations for consolidation)

(10,000 tons)



- At SYSCO, the sales volume increased for exports and sales in Taiwan
- YSS is strengthening sales activities to become profitable in FY3/22

Yodogawa Steel Group Regional Primary Sales Volume (before eliminations for consolidation)



14 Other Topics 1-(1)

Rebuilding of production/logistics for exterior products (Progress report)






- Fukui Yodoko Co., Ltd., which was established in April 2020, is building a new factory for exterior products. (The first stage of this project is expected to begin operating in November 2021.)



Fukui Yodoko No.2 Plant (No.1 Building)

- A spin-off on April 1, 2021 was used to transfer part of the manufacturing operations for building materials and exterior products to Fukui Yodoko.

Rebuilding of production/logistics for exterior products (Progress report)

Yodogawa Steel Works, Ltd.				Fukui Yodoko Co., Ltd.
Fukui Plant Production items	YODO House Trash receptacles (for small stations) Cycle spaces, etc.		 Spin-off	No.1 Plant Transferred by using an absorption-type spin-off (Effective April 1, 2021)
Osaka Plant Production items	YODO Monooki Storage Shed Esumo		 Transfer of manufacturing	No.2 Plant (Building No.1) Completion (Plan to start operation in November 2021)
	YODO Storage Sheds YODO Large Storage Sheds YODO bicycle parking units Trash receptacles (for apartment buildings)			No.2 Plant (Building No.2) Under construction (Plan to start operation in the autumn of 2022)

16 Other Topics 2

The Coleman Model to commemorate YODOKO Monooki's 50th anniversary
 Start of order acceptance in April 2021



All 2,000 Coleman Model sheds created by Yodogawa Steel Works and Coleman Japan have been sold. We plan to use the success of this joint project for more products with brands that target a broad range of age segments and for selling sheds that have distinctive features and are fun to use.

Acquisition of 100% of ARDUC Co., Ltd. on June 30, 2021

- ARDUC is a software design and development company that mainly creates control systems for manufacturing semiconductors, liquid crystal displays, solar panels and other products.
- Adding ARDUC to the Yodogawa Steel Group will facilitate the visualization of all data at group companies from production to shipments. This company's ICT and other expertise for inventory management, product sales trend analysis and other tasks will be used to build an ICT infrastructure for quickly meeting a broad range of customers' needs.
- As a member of the Yodogawa Steel Group, ARDUC will continue to create innovative IT system solutions for its customers just as in prior years.

Company Overview	
Company name	ARDUC Co., Ltd.
Location	5-13-16, Shimizu, Asahi-ku, Osaka City, Osaka
Established	March 1986
Representative	Sadahiro Hashimoto
Business	Software design and development
Capital	9,860 million yen
Employees	37 (As of July 2021)
Sales	310 million yen (FY2/21)