

Yodogawa Steel Group Financial Results Briefing Material for the Third Quarter of the Fiscal Year Ending March 31, 2025

February 7, 2025

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Yodogawa Steel Works, Ltd.

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1 Financial Highlights

Financial Highlights

3Q FY3/25 Results

- First nine months sales and earnings increased year on year despite soft construction demand.
- Ordinary profit increased 45.1% year on year due to the ongoing sale of cross-shareholding stocks.

FY3/25 Full-year Forecast

- Upward revision to sales and earnings forecast announced in November 2024
- Expect both sales and earnings to increase year on year
- Upward revision of dividend forecast: a year-end dividend of 233 yen per share and a full-year dividend of 333 yen per share

2 3Q FY3/25 Results

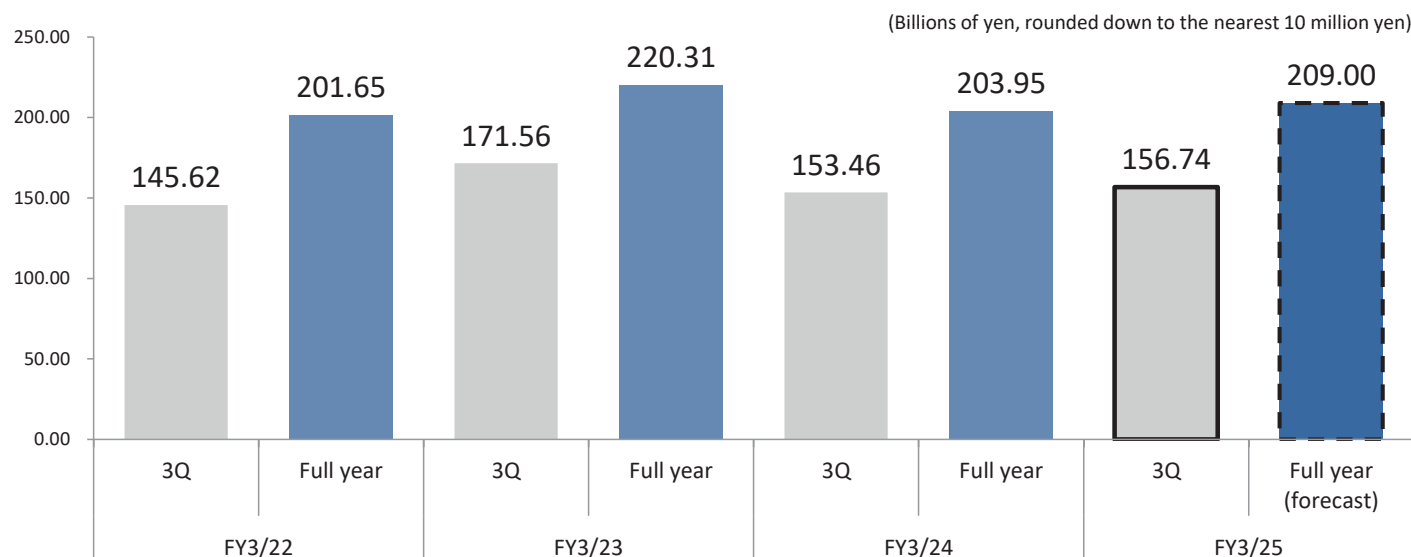


Overview of Consolidated Results of Operations Yodogawa Steel Works, Ltd.

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

	3Q FY3/25	3Q FY3/24	Change	Change (%)	Remarks
Net sales	156.74	153.46	3.27	2.1%	Net sales Higher sales volume at SYSCO in Taiwan, etc.
Gross profit	25.52	24.10	1.41		Selling, general and administrative expenses
Selling, general and administrative expenses	14.41	15.16	(0.75)		Decrease in warranty costs due to the provision for product compensation (extraordinary loss) in FY3/24, etc.
Operating profit	11.11	8.93	2.17	24.3%	Non-operating income
Non-operating income	6.43	3.26	3.16		Gain on sale of investment securities, etc.
Non-operating expenses	0.20	0.25	(0.04)		
Ordinary profit	17.33	11.94	5.38	45.1%	Extraordinary income
Extraordinary income	0.08	0.95	(0.86)		3Q FY3/24: Gain on sale of non-current assets of 950 million yen
Extraordinary losses	0.18	0.48	(0.30)		Extraordinary losses 3Q FY3/24: Loss on retirement of non-current assets of 480 million yen
Profit before income taxes	17.23	12.41	4.82	38.9%	
Income taxes	4.83	3.60	1.22		
Profit attributable to non-controlling interests	1.09	1.05	0.04		
Profit attributable to owners of parent	11.30	7.75	3.55	45.8%	Comprehensive income
EPS (Yen/Share)	391.09 yen	268.39 yen	122.7 yen		3Q FY3/25: Profit of 12.4 billion yen, valuation difference on available-for-sale securities of (4.4) billion yen, foreign currency translation adjustment of (0.5) billion yen, etc.
Comprehensive income	7.41	16.72	(9.31)		

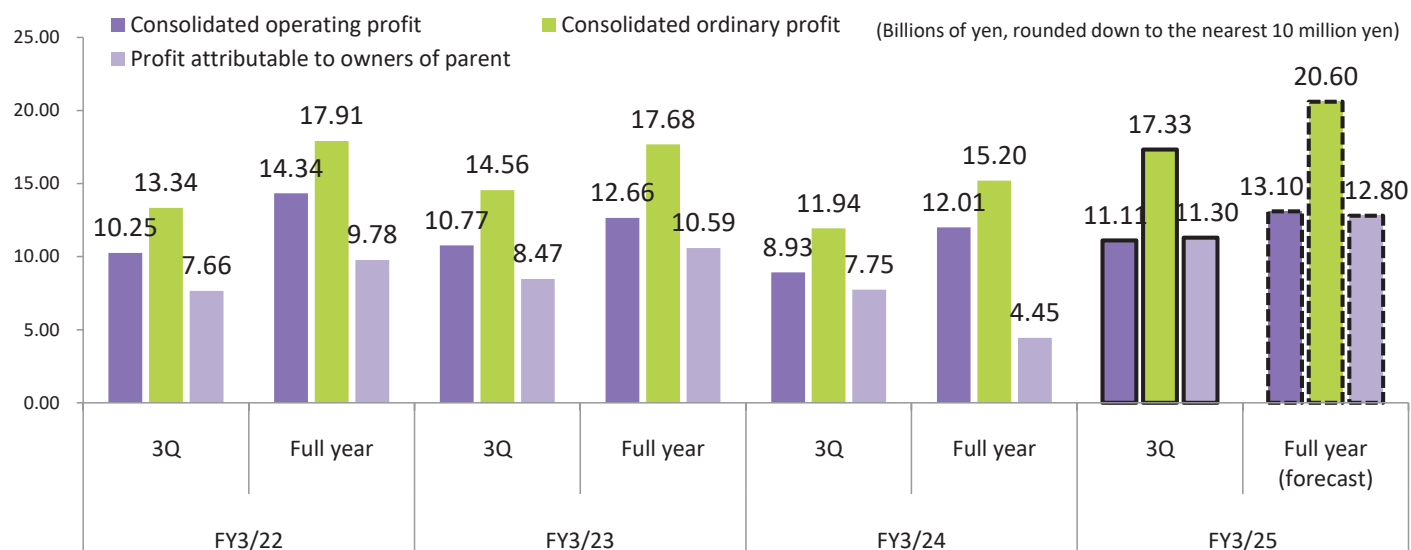




Breakdown of the 3.27 billion yen increase in net sales:

- Yodogawa Steel Works: (1.32) billion yen (99.32→97.99)
Sales volume of galvanized steel sheets declined for specific high-demand customers.
- Taiwan subsidiary Sheng Yu Steel Co., Ltd. (SYSCO): +7.28 billion yen (37.95→45.23)
Both sales volume in Taiwan and export sales volume increased due to successful creation of demand and aggressive sales activities.
- Chinese subsidiary Yodogawa Shengyu (Hefei) High-Tech Steel Co., Ltd. (YSS): (1.65) billion yen (8.74→7.08)
Sales volume decreased because demand for steel remained sluggish due to the prolonged downturn in the real estate market.
- Thai subsidiary PCM Processing (Thailand) Ltd. (PPT): (0.34) billion yen (3.74→3.39)
First nine months sales decreased although sales volume of mainstay AC products started to recover in 3Q.

Consolidated Profit and Loss

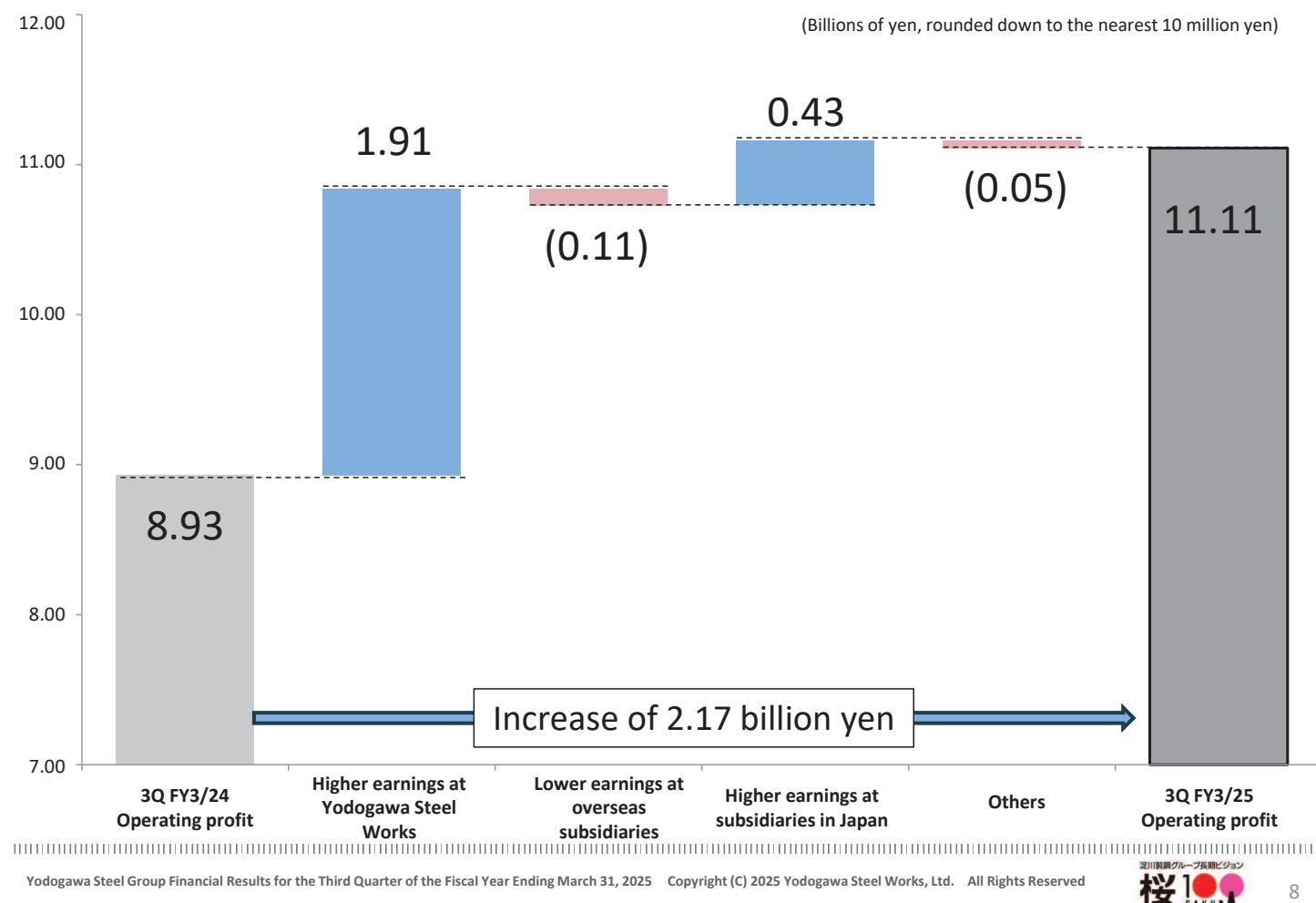


Breakdown of the 2.17 billion yen increase in operating profit:

- Yodogawa Steel Works: +1.91 billion yen (7.02→8.93)
Earnings increased because warranty costs decreased due to the provision for product compensation (extraordinary loss) in FY3/24. and sales volume increased for pre-painted steel sheets.
- SYSCO: (0.26) billion yen (2.16→1.90)
Earnings decreased due to a decline in selling prices resulting from soft market conditions.
- YSS: +0.10 billion yen ((0.56)→(0.45))
Performance remained sluggish due to intensified competition for orders and prices driven by the weak construction demand caused by the real estate recession.
- PPT: +0.03 billion yen (0.38→0.41)
Performance remained stable because sales volume of mainstay AC products recovered and the spread was maintained.

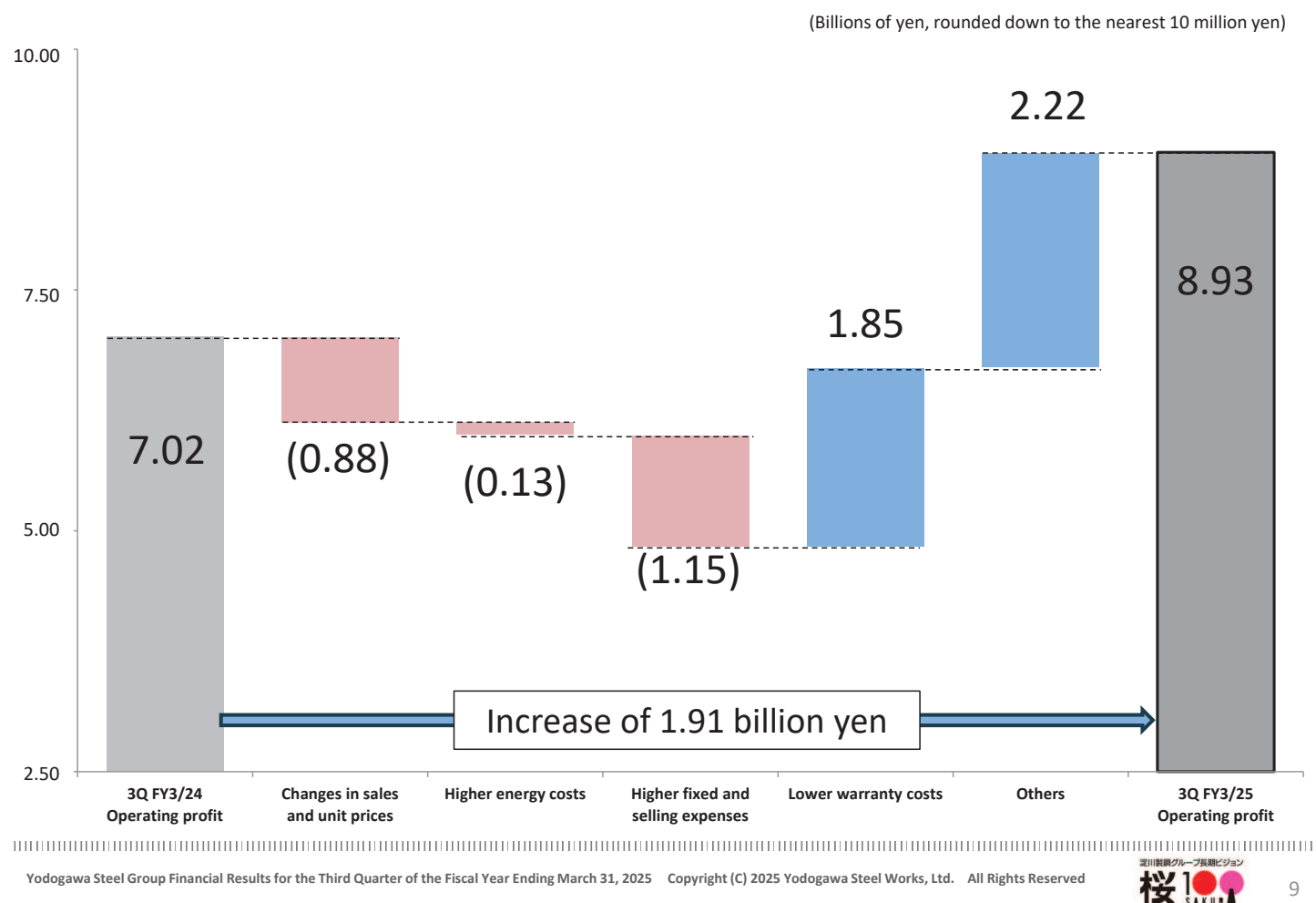
Analysis of Changes in Operating Profit (Consolidated/YoY Change)

Yodogawa Steel Works, Ltd.



Analysis of Changes in Operating Profit (Yodogawa Steel Works/YoY Change)

Yodogawa Steel Works, Ltd.



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

	Net sales			Segment profit		
	3Q FY3/25	3Q FY3/24	Change (%)	3Q FY3/25	3Q FY3/24	Change (%)
Steel Sheet-related	149.45	145.85	2.5%	11.14	8.89	25.2%
Roll	2.02	2.48	(18.8)%	(0.00)	0.04	-
Grating	2.49	2.59	(4.1)%	0.11	0.15	(26.5)%
Real Estate	1.03	0.96	7.0%	0.62	0.61	1.7%
Total reportable segments	154.99	151.90	2.0%	11.88	9.71	22.3%
Others	1.74	1.55	12.0%	0.41	0.25	62.6%
Total	156.74	153.46	2.1%	12.29	9.97	23.3%
Adjustment				(1.18)	(1.03)	-
Amounts shown on the consolidated statement of income	156.74	153.46	2.1%	11.11	8.93	24.3%

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Segment Information (Steel Sheet-related Business (1))

Yodogawa Steel Works, Ltd.

Steel Sheet (Japan)

- For specific high-demand customers

Building materials: Sales volume of galvanized steel sheets decreased due to lower demand and the inflow of inexpensive imported materials.

Sales volume of pre-painted steel sheets increased due to factors such as market share expansion among existing customers and acquisition of new customers.

Electrical products: Sales volume increased due to factors such as higher demand for EcoCute.

- Lower sales for specific high-demand customers due to a decrease in sales volume of galvanized steel sheets while sales of pre-painted steel sheets remained stable.

- For general distribution

Sales volume increased because of sales growth in the first half, despite weak shipments beginning in 3Q.

- Overall sales in Japan decreased due to lower sales volume of galvanized steel sheet, despite firm sales of pre-painted steel sheets.

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Steel Sheet (Overseas)

• Overseas

SYSCO (Taiwan): Sales volume of galvanized steel sheets in Taiwan increased due to successful creation of demand. Export sales volume increased both for galvanized steel sheets and pre-painted steel sheets.

- Sales were higher due to an increase in sales volume but earnings decreased due to a decline in selling prices caused by the weakening market conditions.

YSS (China): Domestic construction demand in China recovered slightly in 3Q, but overall demand remained sluggish. Sales volumes for both galvanized steel sheets and pre-painted steel sheets did not improve, and business performance remained weak.

PPT (Thailand): The sales volume of mainstay AC products started to recover. Earnings increased due to our efforts to maintain the spread.

Building Material

(Exterior construction material products/Construction)

- Sales of exterior construction material products increased as the sales volume of roofing materials increased.
- Construction sales was sluggish mainly due to construction project delays.

Building Material (Exterior products)

- Sales of garages and large storage sheds remained stable.
- The sales volume of storage sheds was sluggish due to a decline in consumer sentiment caused by inflation.
- Intense heat and other negative factors lowered overall sales of exterior products.

Roll Business

- Sales and earnings decreased year on year mainly due to a decrease in sales volume in both domestic and export markets in Japan.

Grating Business

- Although selling prices improved, sales and earnings decreased due to a decrease in sales volume.

Real Estate Business and Other Businesses

- In the real estate business, both sales and earnings were about the same as one year earlier.
- In the other businesses, sales and earnings increased as sales in the warehousing and transportation businesses recovered.

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Consolidated Financial Position

Yodogawa Steel Works, Ltd.

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

	As of Dec. 31, 2024	As of Mar. 31, 2024	Change	Change (%)	Remarks
Total assets	261.96	265.86	(3.89)	(1.5)%	Assets (Non-current) Decrease in investment securities, etc.
Current assets	159.04	156.11	2.92	1.9%	
Non-current assets	102.92	109.74	(6.82)	(6.2)%	
Liabilities	48.73	52.03	(3.29)	(6.3)%	Liabilities (Non-current) Decrease in provision for product warranties, etc.
Current liabilities	27.78	28.11	(0.32)	(1.2)%	
Non-current liabilities	20.94	23.91	(2.97)	(12.4)%	
Net assets	213.23	213.83	(0.59)	(0.3)%	Shareholders' equity 3Q FY3/25: Profit attributable to owners of parent of 11.30 billion yen, dividends of (7.08) billion yen, etc.
Shareholders' equity	160.90	156.55	4.34	2.8%	
Accumulated other comprehensive income	28.34	33.02	(4.67)	(14.2)%	
Non-controlling interests	23.88	24.12	(0.24)	(1.0)%	Accumulated other comprehensive income Decrease in valuation difference on available-for-sale securities, etc.
BPS (Yen/Share)	6,544.81	6,561.18	(16.3)		
Equity	189.24	189.58	(0.33)	(0.2)%	
Equity ratio	72.2%	71.3%	0.9pt		

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3 FY3/25 Forecast

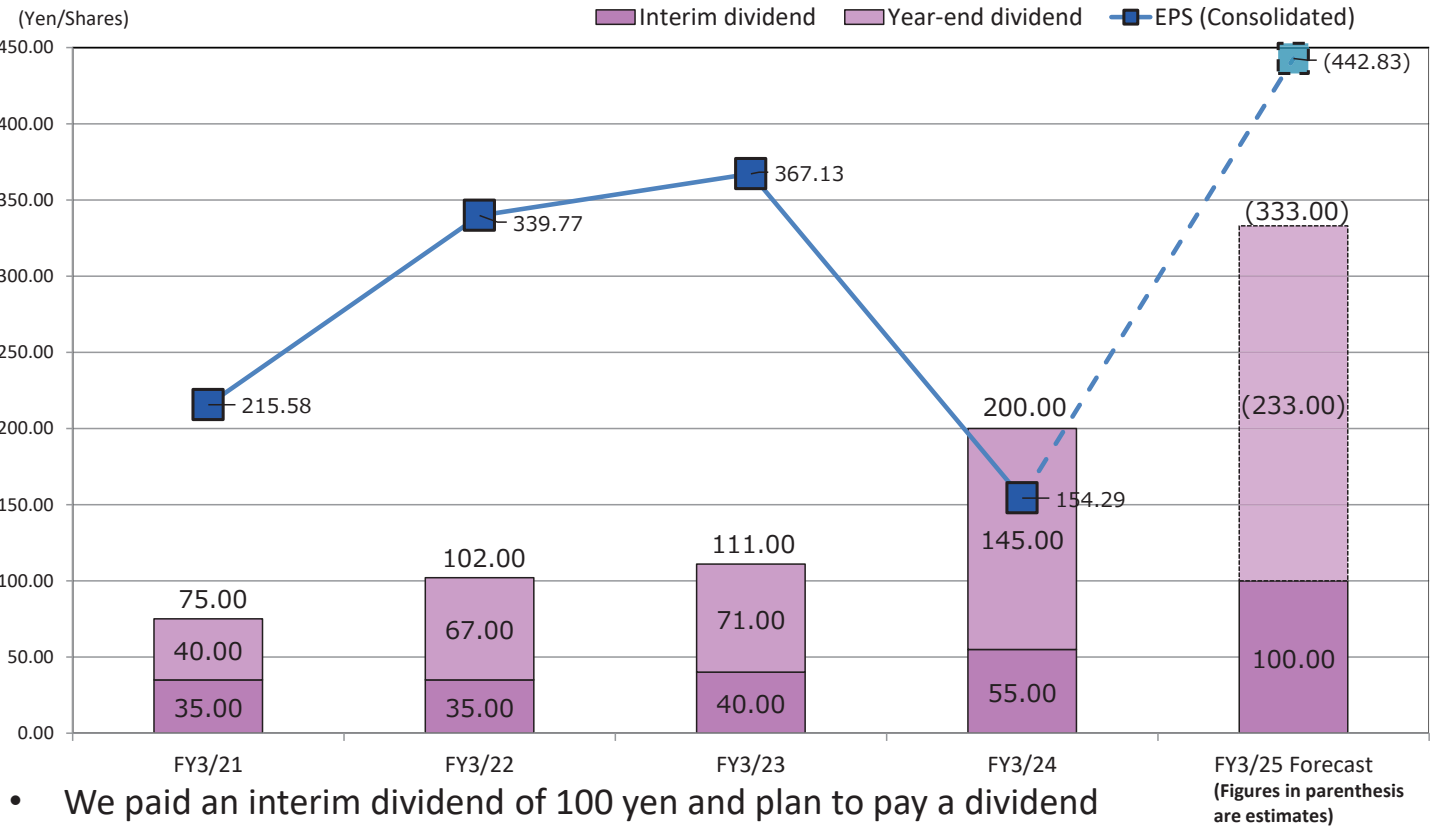
Consolidated Forecasts

Yodogawa Steel Works, Ltd.

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

FY3/25		Current Forecast (As of February 7, 2025)	YoY change (%)	Previous Forecast (As of November 6, 2024)	Change	
					Amount	%
Consolidated	Net sales	209.00	2.5%	207.00	2.00	1.0%
	Operating profit	13.10	9.0%	12.10	1.00	8.3%
	Ordinary profit	20.60	35.5%	19.20	1.40	7.3%
	Profit attributable to owners of parent	12.80	187.2%	11.90	0.90	7.6%

- Sales volume on a non-consolidated basis is expected to increase from the previous forecast.



4 Topics

- On October 1, 2025, the company name will be changed to YODOKO Ltd.
(Upon the approval of partial amendments to the Articles of Incorporation at the 126th ordinary general meeting of shareholders held in June 2025).
- On January 30, 2025, we established a new corporate philosophy: *Make people, communities, and the future bloom.*
- On January 30, 2025, we unveiled new logo designs along with the renewal of the corporate philosophy. The new logos are scheduled to begin use on October 1, 2025.



Woody marron (WM)
* Black Esumo limited edition color



Deep ocean blue (DO)



Woody cocoa (WC)



Graphite metallic (GM)



Woody ebony (WE)



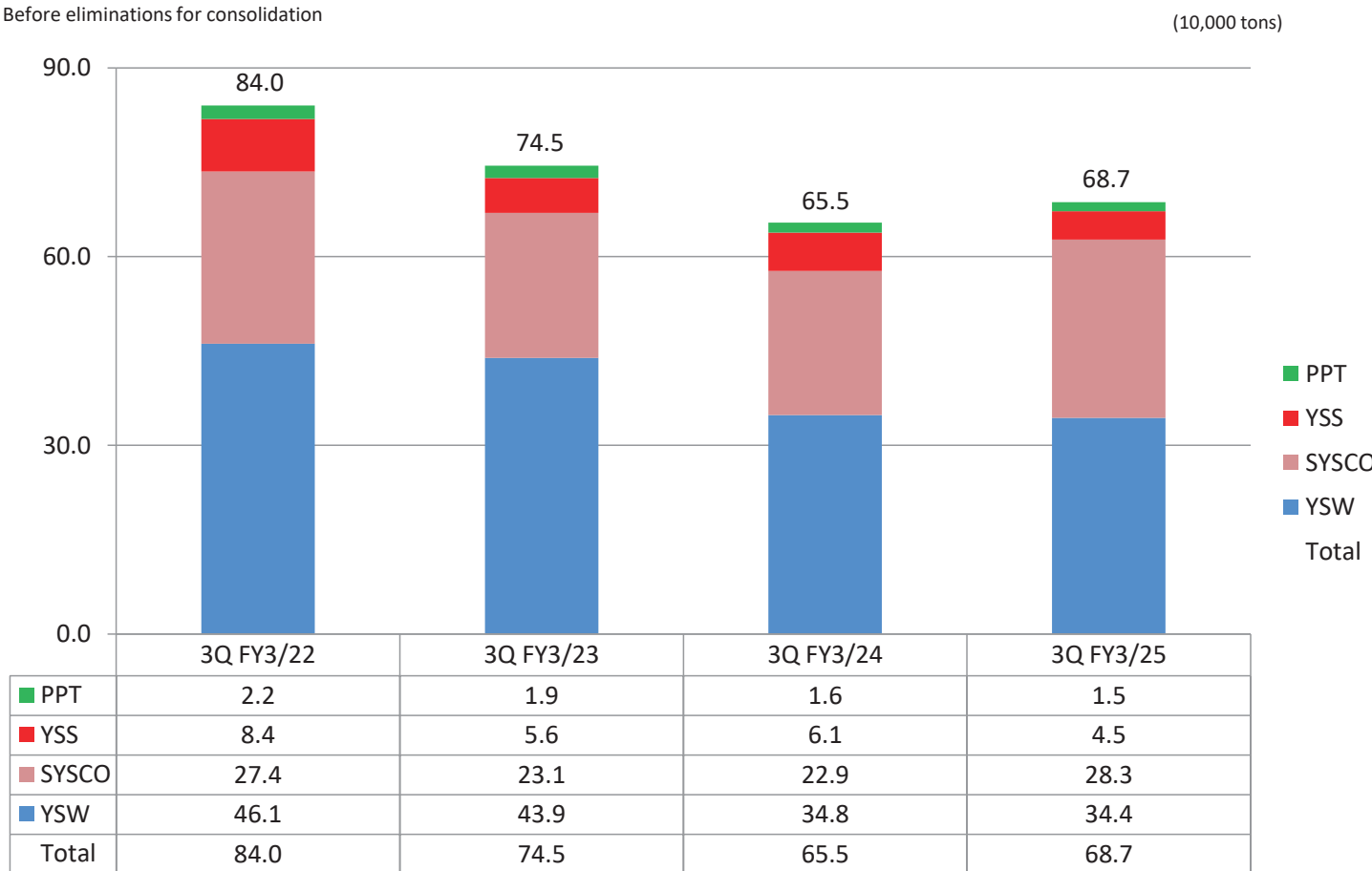
Tinted white (TW)

- Launched a chic storage shed branded YODO Monooki Black Esumo Storage Shed on January 30, 2025, featuring a blackened main body of YODO Monooki Esumo, a small-scale storage shed

5 References

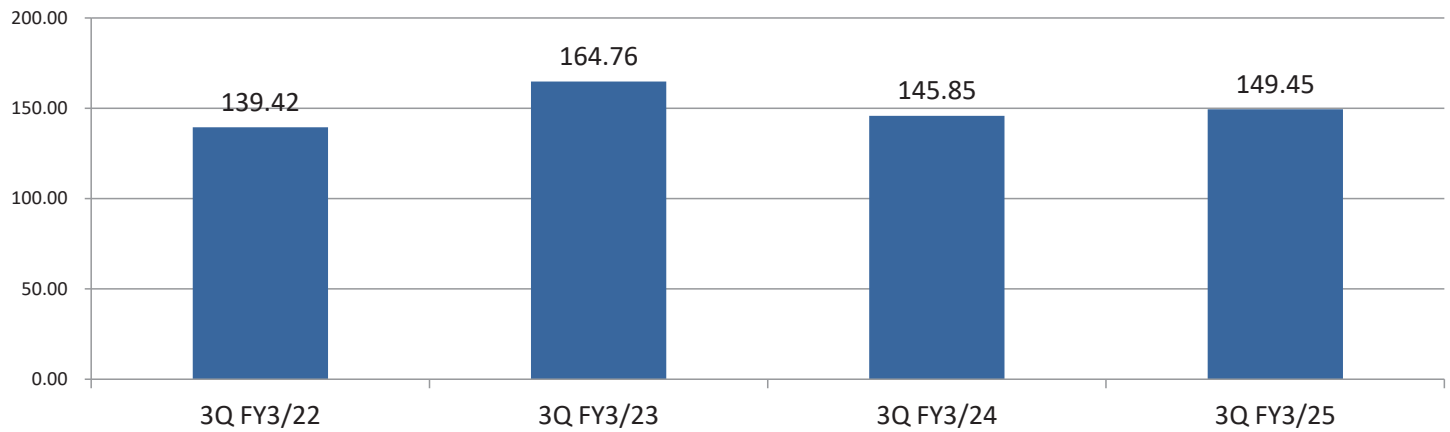
References: Yodogawa Steel Group Primary Sales Volume of Steel Sheet Products (3Q)

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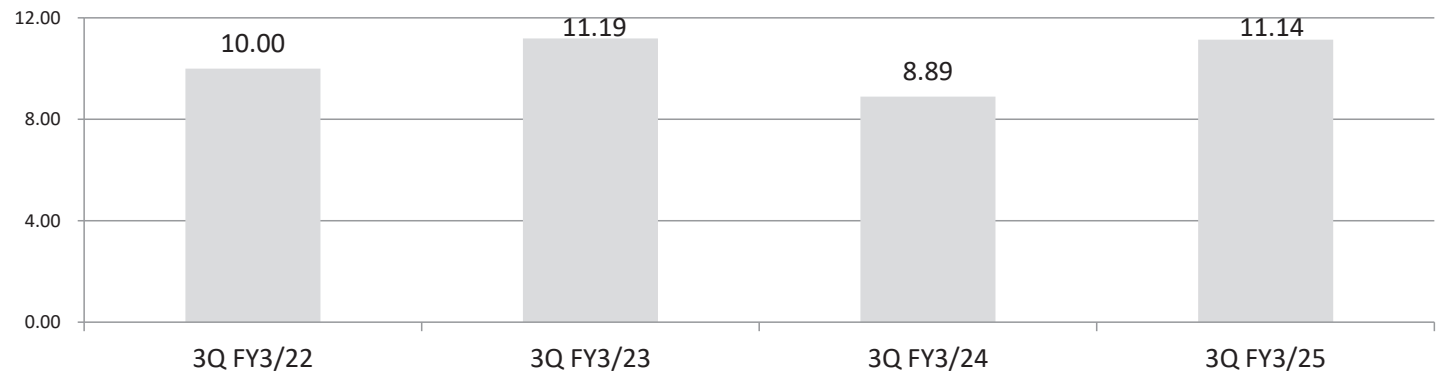


Segment sales

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



Segment profit



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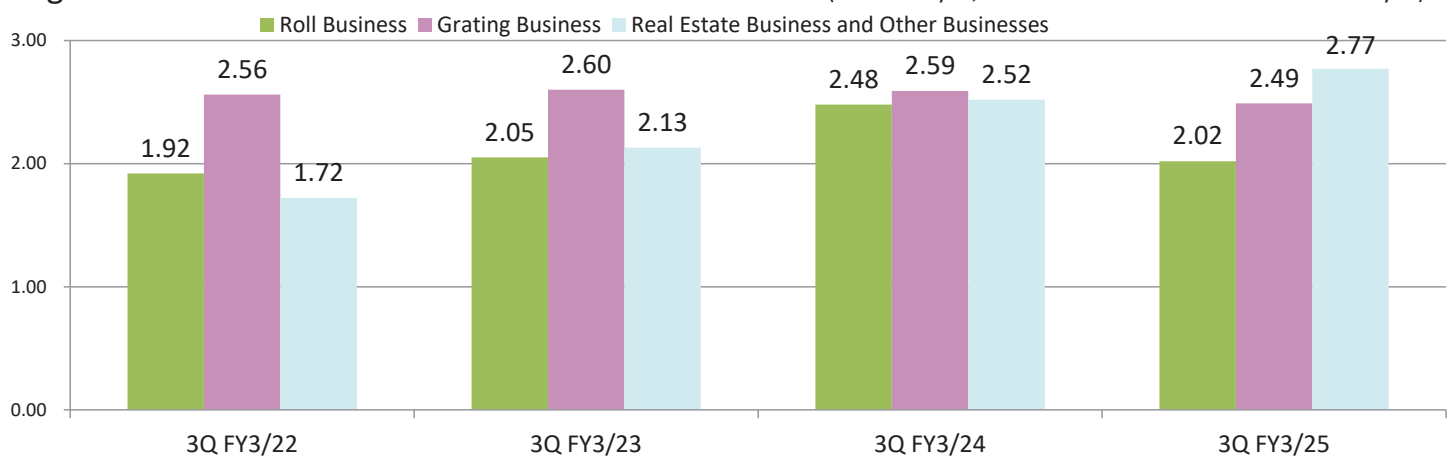
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Segment Information

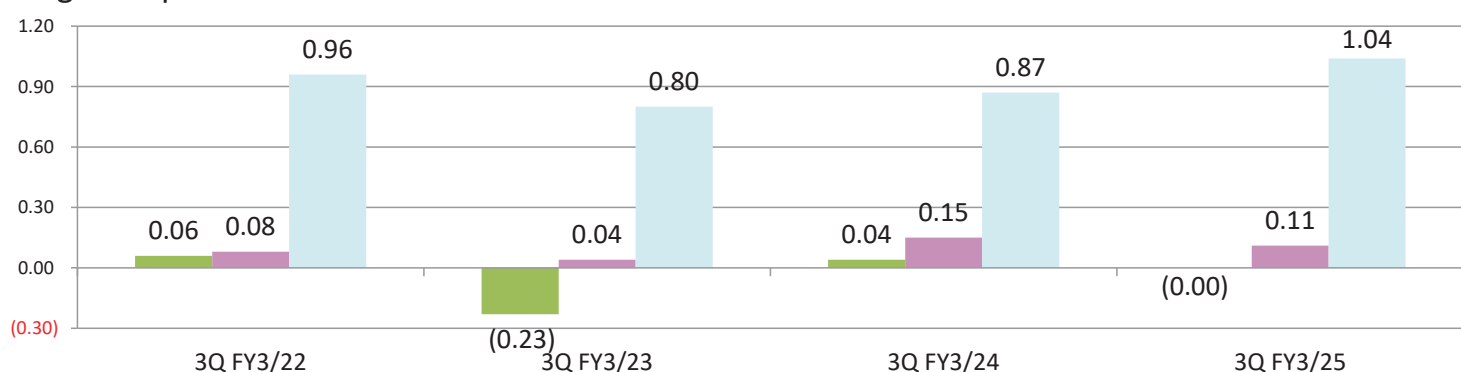
(Roll Business, Grating Business, Real Estate Business and Other Businesses)

Segment sales

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



Segment profit



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YODOKO

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