



NAKAYAMA STEEL WORKS, LTD.

Supplementary Materials for FY2024 Financial Results

May 9, 2025

Summary of profit and loss for FY2024

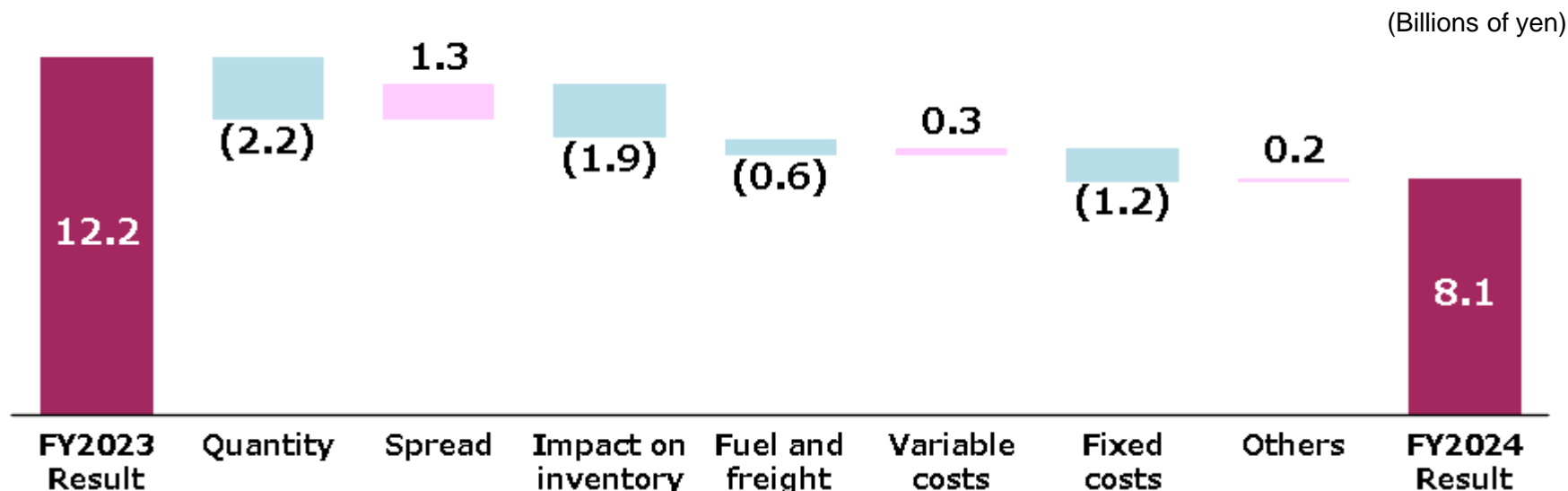
- Net sales decreased by 15.1 billion yen year-on-year due to a decrease in steel products sales volume and a decline in steel products sales prices.
- The spread and factory costs improved as the impact of the decline in raw material prices exceeded the decline in steel sales prices. However, operating profit decreased 3.9 billion yen and ordinary profit decreased 4.1 billion yen year-on-year. This was mainly due to a decrease in the volume of steel products sales, an increase in fixed costs such as labor costs, depreciation and amortization, the impact of inventory, and an increase in transportation costs.
- Net sales decreased 8% and ordinary profit decreased 34% year-on-year.

(Billions of yen)

	FY2023	FY2024	Y-o-Y	
			Amount	Percentage change
Net sales	184.4	169.3	(15.1)	(8%)
Operating profit	12.3	8.4	(3.9)	(32%)
Ordinary profit	12.2	8.1	(4.1)	(34%)
ROS	6.6%	4.8%	0.0	(1.8%)
Net profit	8.9	5.7	(3.2)	(36%)

Analysis of changes in ordinary profit—FY2023 vs. FY2024

<Year-on-year>



Quantity of steel by type (Thousand tons)

	FY2023	FY2024	Y-o-Y
Bars and wire rods	227	206	(21)
Coils	462	412	(50)
Steel plates	237	222	(15)
Building materials	176	165	(11)
Contract	6	6	0
Total steels	1,108	1,011	(97)
of which Exports	70	40	(30)

Spread (Thousand tons, Thousand yen/t)

	Sales volume	Sales price	Scrap price	Spread
FY2023	1,108	129.3	51.6	77.6
FY2024	1,011	127.3	48.3	79.0
Y-o-Y	(97)	(2.0)	(3.4)	1.4

Balance sheets

- **Equity ratio : 2024/3 68.7% 2025/3 71.6%**
- **Net interest-bearing debt : 2024/3 (6.9) 2025/3 (6.3)**

(Billions of yen)

		2024/3	2025/3	Y-o-Y
Assets	Cash and deposits	16.5	15.3	(1.1)
	Accounts receivable(including electronically recorded monetary claims)	47.1	42.3	(4.8)
	Inventories	32.0	34.0	2.0
	Property, plant and equipment	47.1	48.3	1.2
	Others	9.4	9.2	(0.2)
	Total assets	152.1	149.1	(2.9)
Liabilities	Trade payables (including electronically recorded obligations)	20.1	16.9	(3.2)
	Interest-bearing debt	9.6	9.1	(0.6)
	Deferred tax liabilities	4.4	4.2	(0.2)
	Provisions	4.3	4.7	0.4
	Others	9.1	7.5	(1.6)
	Total liabilities	47.5	42.3	(5.2)
Net assets	Shareholders' equity	100.0	103.1	3.1
	Others	4.5	3.7	(0.8)
	Total net assets	104.6	106.8	2.3
Total liabilities and net assets		152.1	149.1	(2.9)

Earnings forecast for FY2025

<FY2025(Y-O-Y) >

- Net sales will decrease 11.8 billion yen year on year due to a decrease in steel products sales volume and a decline in steel products sales prices.
- Ordinary profit will decrease 1.1 billion yen year on year.
- Dividends will be 24 yen per share, a decrease of 16 yen from the previous fiscal year.

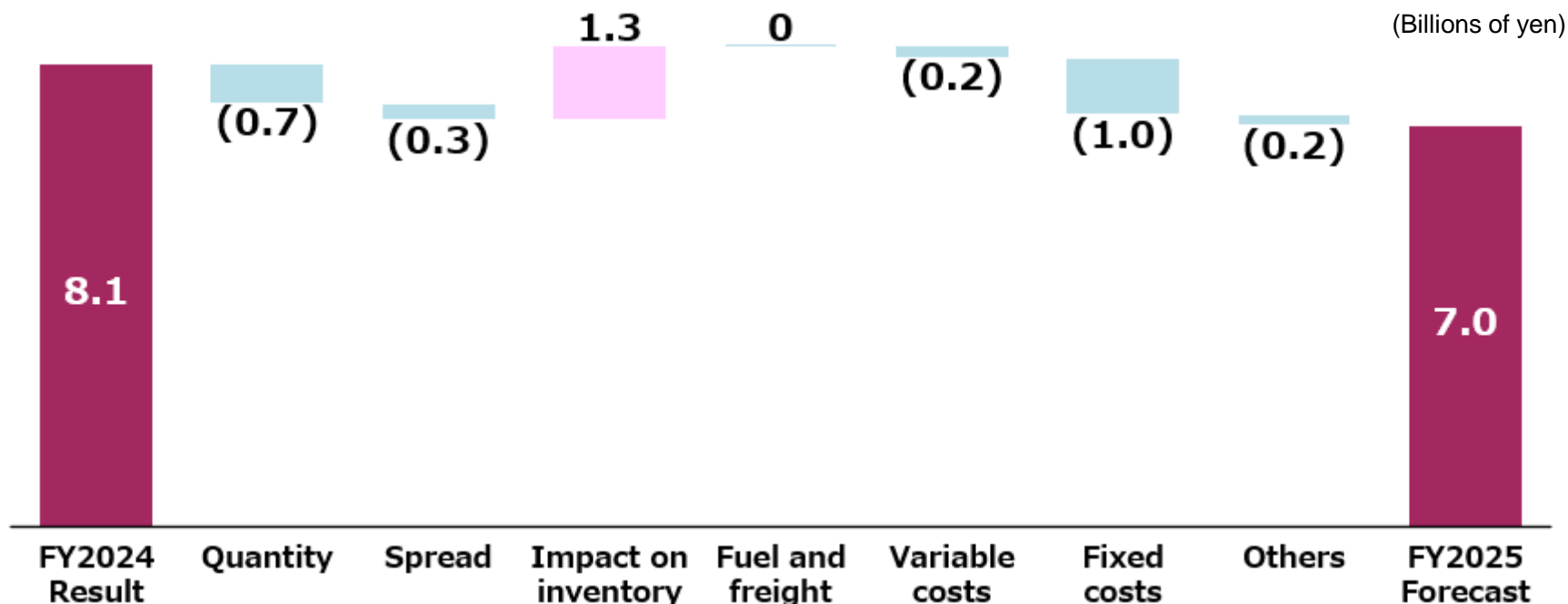
(Billions of yen)

	FY2024 Result			FY2025 Forecast			Y-o-Y	
	H1	H2	Full-year	H1	H2	Full-year	Amount	Percentage change
Net sales	89.5	79.8	169.3	76.5	81.0	157.5	(11.8)	(7%)
Operating profit	4.8	3.7	8.4	2.9	4.4	7.3	(1.1)	(13%)
Ordinary profit	4.7	3.4	8.1	2.7	4.3	7.0	(1.1)	(14%)
ROS	5.2%	4.3%	4.8%	3.5%	5.3%	4.4%	-	(0.4%)
Net profit	3.2	2.5	5.7	1.5	2.7	4.2	(1.5)	(26%)
Dividend per share	18 yen	22 yen	40 yen	8 yen	16 yen	24 yen	(16)	-

Analysis of changes in ordinary profit—FY2024 result vs. FY2025 forecast

<Year-on-Year>

- Sales volume of steel products will be decreased through the first half of the FY2025 due to restraints on purchases due to the anticipation of a low price. The cargo movement is expected to recover in the second half of the FY2025, but demand is not expected to recover significantly and sales volume is expected to decrease for the full of FY2025.
- The spread of steel products is expected to deteriorate as the impact of the decrease in sales prices of steel products outweighs the decrease in main raw material prices.
- Fixed costs are expected to increase due to an increase in labor costs associated with improved treatment, an increase in depreciation and amortization for capital investment, and a revision of the basic electricity rate.



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