

January 23, 2026



Q3 FY2025 Financial Results Presentation

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Q3 FY2025 Financial Results

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Financial Result Forecasts for FY2025

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Shareholder Return

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Reference Information

Q3 FY2025 Financial Results (April-December)

- Net sales: 201.8 billion yen, Operating profit: 8.2 billion yen
- Product shipment volume: 2,066 thousand metric tons (of which, 1,768 thousand metric tons for domestic, 298 thousand metric tons for export)
- Product shipment volume, unit sales price, scrap price, etc. remained almost as expected
- Profit exceeded the plan due to reduction of fixed cost burden due to increase in production volume

Full Year Forecasts for FY2025

- Continued uncertainty in overseas steel markets due to the sluggish Chinese economy
- In the domestic market as well, construction delays and revisions due to labor shortages and rising construction costs are occurring one after another
- The business environment will continue to be more severe than expected

⇒ We have revised full-year operating profit forecast to 8.2 billion yen (from 9.5 billion yen announced on October 17)

Dividend forecast remains unchanged from the initial forecast

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Q3 FY2025 Financial Results

Summary of Q3 FY2025 Financial Results

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- Operating profit **decreased by 65.2%** compared to the previous 3Q result
(23.5 billion yen \Rightarrow 8.2 billion yen (cumulative))
- Operating profit **increased by 4.8%** compared to the 3Q plan
(7.8 billion yen \Rightarrow 8.2 billion yen (cumulative))

<Factors>

- Product shipment volume, unit sales price, scrap price, etc. remained almost as expected
- Profit exceeded the plan due to reduction of fixed cost burden due to increase in production volume

(100 million yen)

| | FY2024 | | | | FY2025 | | | | | |
|------------------|--------|-----|-----|-------------|--------|-----|-----|-------------|--|------------------|
| | 1Q | 2Q | 3Q | 1Q-3Q total | 1Q | 2Q | 3Q | 1Q-3Q total | Full year plan (announced on October 17, 2025) | Progress rate |
| Net sales | 939 | 803 | 804 | 2,547 | 738 | 600 | 679 | 2,018 | 2,643 | 76% |
| Operating profit | 96 | 42 | 95 | 235 | 47 | 12 | 21 | 82 | 95 | 86% |
| Ordinary profit | 102 | 46 | 99 | 248 | 53 | 16 | 25 | 95 | 105 | 91% |
| Profit | 65 | 32 | 70 | 168 | 37 | 8 | 48 | 93 | 100 | 94% |

Trends in Product Shipment Volume

P5

Trends in product shipment volume (domestic, export) and production of crude steel and steel products

| | FY24.3Q | FY24.4Q | FY25.1Q | FY25.2Q | FY25.3Q |
|------------------------------------|---------|---------|---------|---------|---------|
| Domestic (thousand metric tons) | 640 | 596 | 609 | 553 | 605 |
| Unit sales price (thousand yen) | 107.8 | 102.1 | 99.4 | 95.8 | 93.8 |

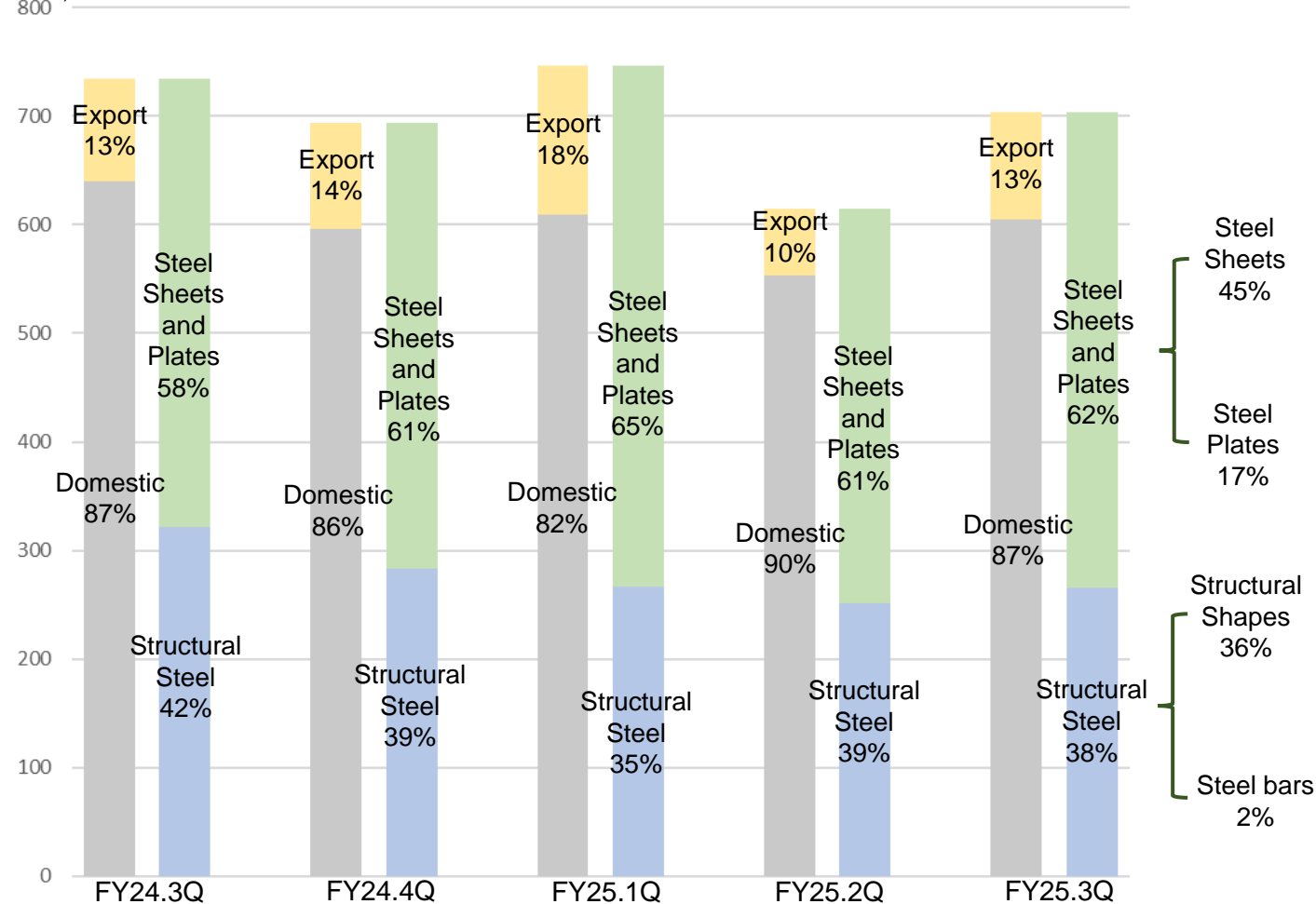
| | | | | | |
|------------------------------------|------|------|------|------|------|
| Export (thousand metric tons) | 95 | 98 | 137 | 62 | 99 |
| Unit sales price (thousand yen) | 92.7 | 88.7 | 81.9 | 88.7 | 89.4 |

| | | | | | |
|------------------------------------|-------|-------|------|------|------|
| Total (thousand metric tons) | 735 | 694 | 746 | 615 | 705 |
| Unit sales price (thousand yen) | 105.8 | 100.2 | 96.2 | 95.1 | 93.2 |

| | | | | | |
|--|-----|-----|-----|-----|-----|
| Crude steel production (thousand metric tons) | 762 | 759 | 851 | 653 | 809 |
| Steel products production (thousand metric tons) | 708 | 691 | 774 | 596 | 755 |

Product shipment
volume
(thousand metric
tons)

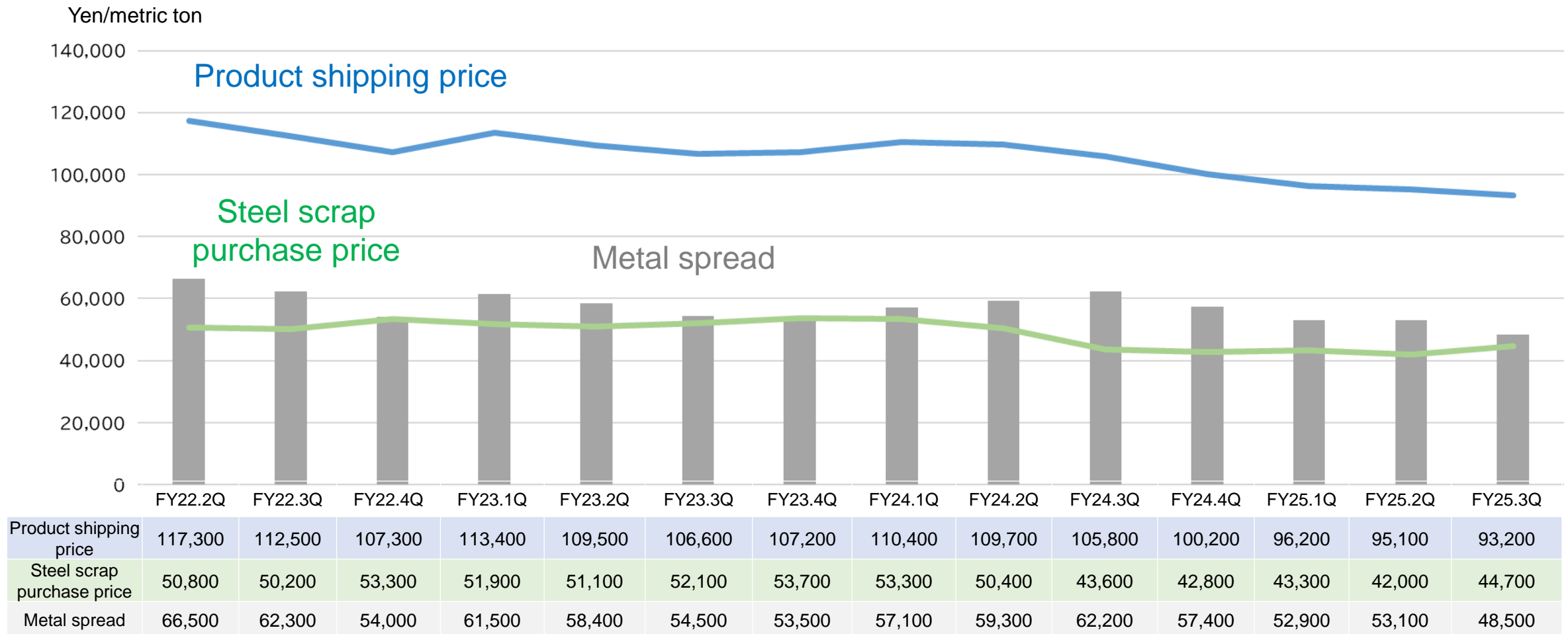
Domestic and export ratios and product mix



Trends in Product Shipping Price, Steel Scrap Purchase Price, and Metal Spread

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In 3Q, the product shipping price **decreased by about 1,900 yen/metric ton** compared with 2Q, and the steel scrap purchase price **increased by about 2,700 yen/metric ton**.
As a result, the metal spread **narrowed by about 4,600 yen/metric ton**.



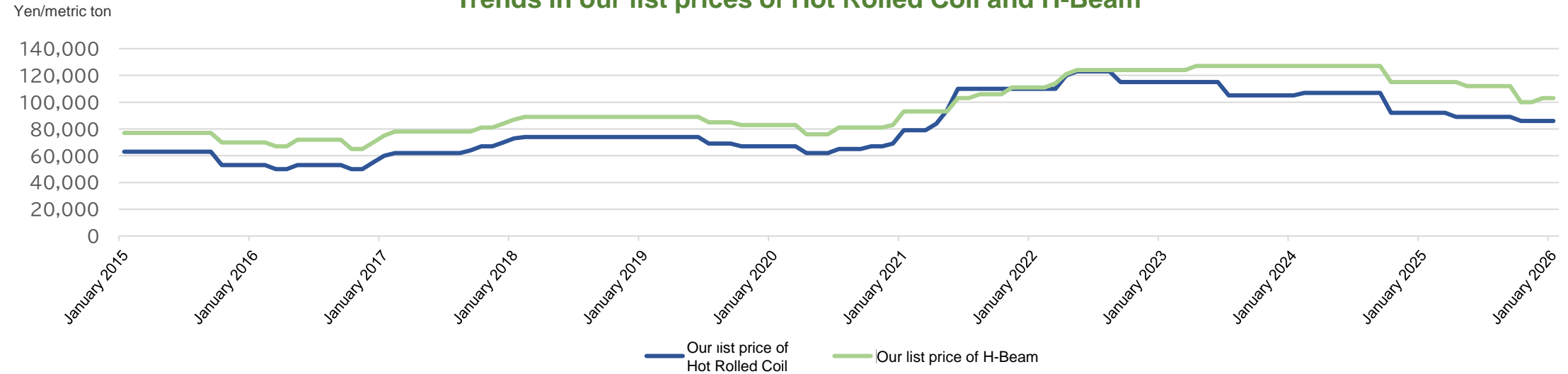
*Steel scrap purchase price is the average unit price of steel scrap used during the quarter.

Trends in Our List Prices of Products (Hot Rolled Coil, H-Beam) and Steel Scrap (Tahara Plant/Special Grade, Onshore)

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Trends in our list prices of Hot Rolled Coil and H-Beam



Trend in our list prices of steel scrap (Tahara plant/special grade, onshore)

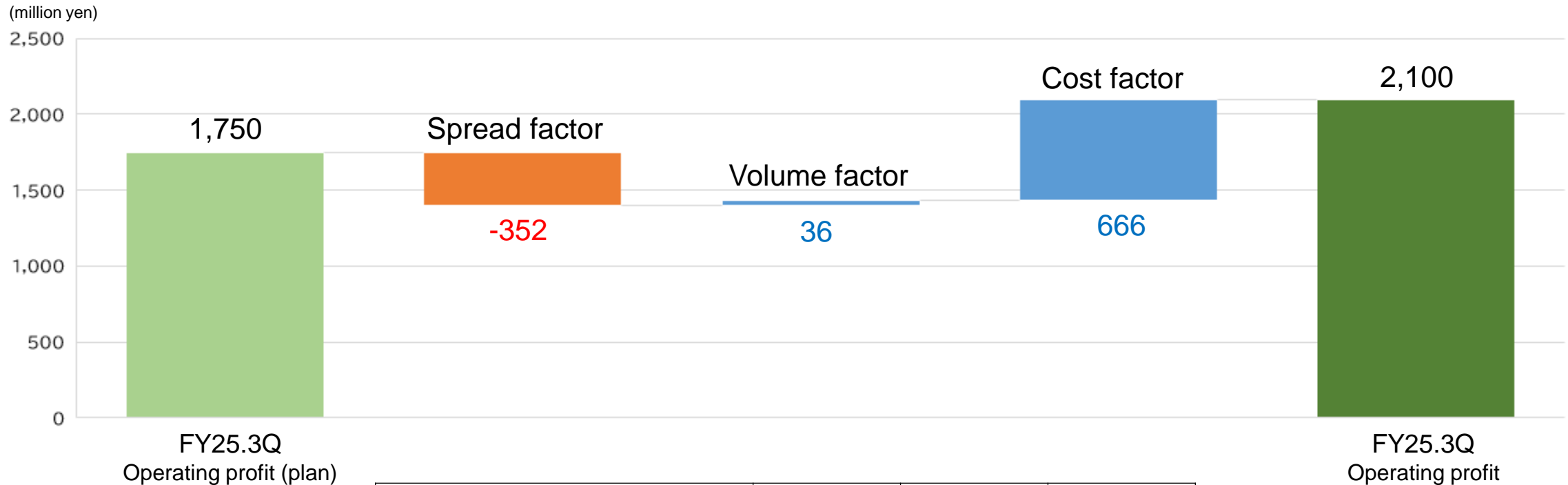


Factors Affecting Operating Profit

P 8

FY2025 3Q Plan ➡ FY2025 3Q Results (October-December)

*Operating profit is rounded.



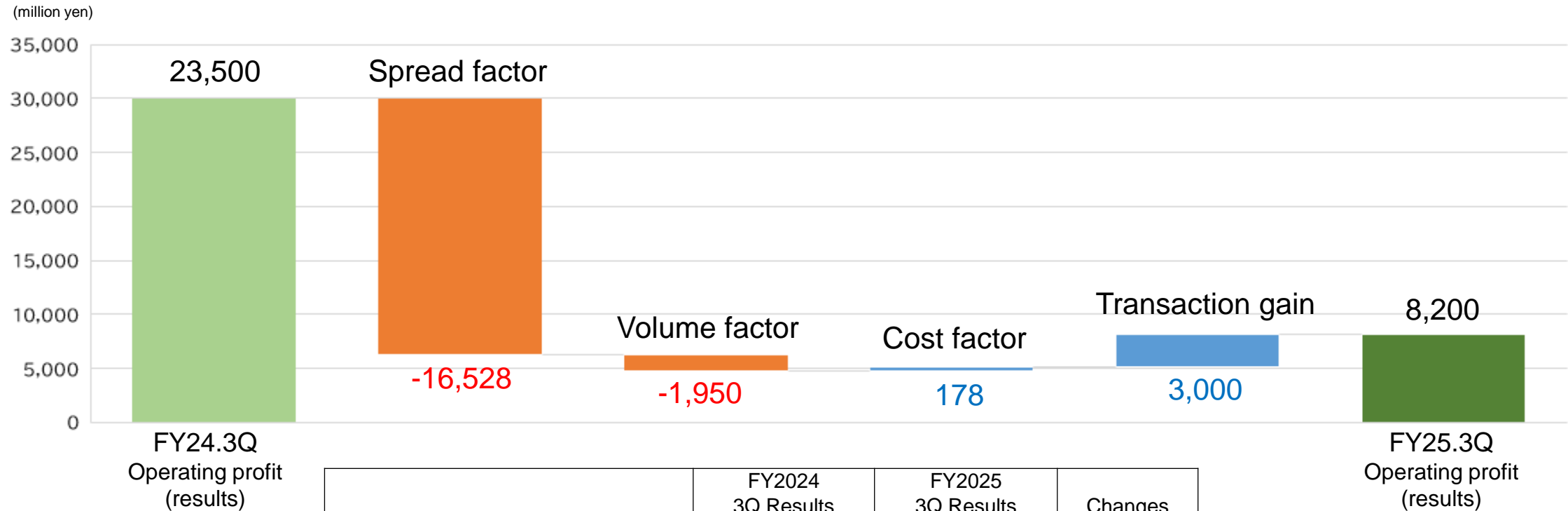
| | FY2025 3Q Plan | FY2025 3Q Results | Changes |
|--------------------------------|-------------------|----------------------|---------|
| Volume (metric tons) | 690,500 | 705,000 | 14,500 |
| Unit price (Yen/metric ton) | 93,000 | 93,200 | 200 |
| Scrap price (Yen/metric ton) | 44,000 | 44,700 | 700 |
| Spread (Yen/metric ton) | 49,000 | 48,500 | -500 |
| Operating profit (million yen) | 1,750 | 2,100 | 350 |

Factors Affecting Operating Profit

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FY2024 3Q Results ➡ **FY2025 3Q Results (April-December)**

*Operating profit is rounded.

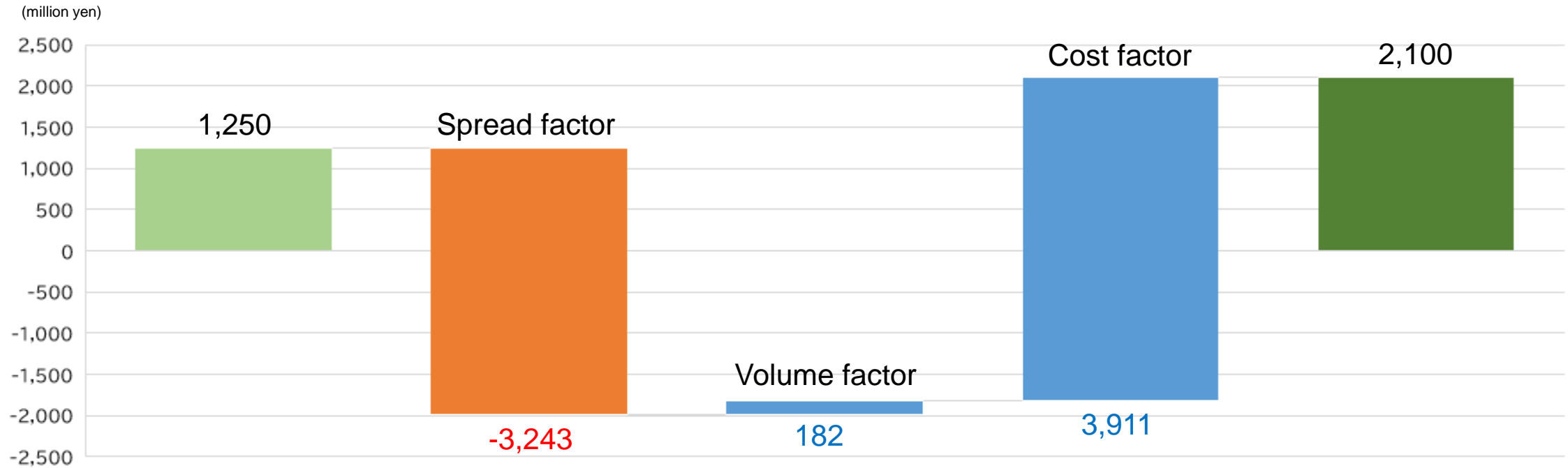


| | FY2024 3Q Results (April-December) | FY2025 3Q Results (April-December) | Changes |
|--------------------------------|--|--|----------|
| Volume (metric tons) | 2,253,000 | 2,066,000 | -187,000 |
| Unit price (Yen/metric ton) | 108,700 | 94,800 | -13,900 |
| Scrap price (Yen/metric ton) | 49,300 | 43,400 | -5,900 |
| Spread (Yen/metric ton) | 59,400 | 51,400 | -8,000 |
| Operating profit (million yen) | 23,500 | 8,200 | -15,300 |

Factors Affecting Operating Profit

P 10

FY2025 2Q Results ➡ **FY2025 3Q Results** *Operating profit is rounded.



FY25.2Q
Operating profit
(results)

| | FY2025 2Q Results | FY2025 3Q Results | Changes |
|--------------------------------|----------------------|----------------------|---------|
| Volume (metric tons) | 615,000 | 705,000 | 90,000 |
| Unit price (Yen/metric ton) | 95,100 | 93,200 | -1,900 |
| Scrap price (Yen/metric ton) | 42,000 | 44,700 | 2,700 |
| Spread (Yen/metric ton) | 53,100 | 48,500 | -4,600 |
| Operating profit (million yen) | 1,250 | 2,100 | 850 |

FY25.3Q
Operating profit
(results)

2

Financial Result Forecasts for FY2025

Financial Result Forecasts for FY2025

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<External environment>

- Continued uncertainty in overseas steel markets due to the sluggish Chinese economy
- In the domestic market as well, construction delays and revisions due to labor shortages and rising construction costs are occurring one after another
- The business environment will continue to be more severe than expected

⇒ Thorough focus on profitability, focus on optimization of selling prices, and continuation of cost reduction activities,
we have revised full-year earnings forecast announced on October 17

(100 million yen)

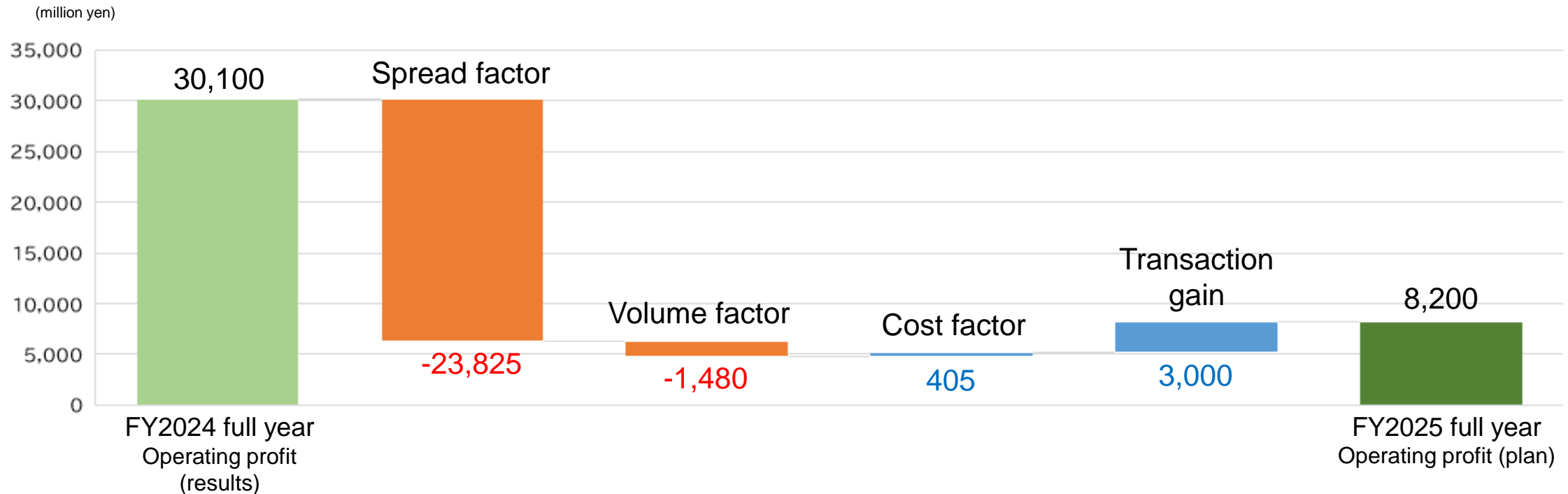
| | FY2024 Results | | | FY2025 Forecast (Revised on October 17) | | | FY2025 Forecast (Revised on January 23) | | |
|------------------|----------------|-------|-----------|--|-------|-----------|--|-------|-----------|
| | 1H | 2H | Full year | 1H (Results) | 2H | Full year | 1H (Results) | 2H | Full year |
| Net sales | 1,742 | 1,525 | 3,267 | 1,338 | 1,304 | 2,643 | 1,338 | 1,383 | 2,722 |
| Operating profit | 139 | 161 | 301 | 60 | 35 | 95 | 60 | 21 | 82 |
| Ordinary profit | 148 | 167 | 316 | 69 | 35 | 105 | 69 | 28 | 98 |
| Profit | 98 | 113 | 212 | 45 | 54 | 100 | 45 | 42 | 88 |

Factors Affecting Operating Profit

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FY2024 Full year results ➡ FY2025 Full year plan

*Operating profit is rounded.



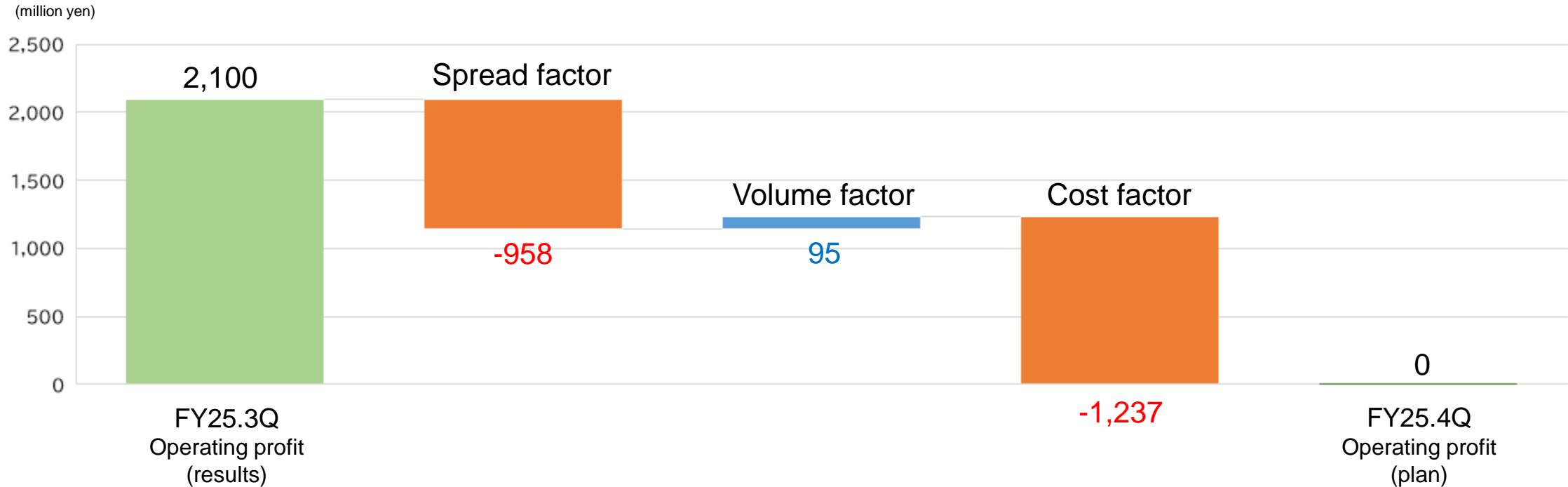
| | FY2024 Full year results | FY2025 Full year plan | Changes |
|--------------------------------|-----------------------------|--------------------------|----------|
| Volume (metric tons) | 2,948,000 | 2,803,000 | -145,000 |
| Unit price (Yen/metric ton) | 106,700 | 94,400 | -12,300 |
| Scrap price (Yen/metric ton) | 47,800 | 44,000 | -3,800 |
| Spread (Yen/metric ton) | 58,900 | 50,400 | -8,500 |
| Operating profit (million yen) | 30,100 | 8,200 | -21,900 |

Factors Affecting Operating Profit

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FY2025 3Q Results ➡ FY2025 4Q Plan

*Operating profit is rounded.



| | FY2025 3Q Results | FY2025 4Q Plan | Changes |
|--------------------------------|----------------------|-------------------|---------|
| Volume (metric tons) | 705,000 | 737,000 | 32,000 |
| Unit price (Yen/metric ton) | 93,200 | 93,000 | -200 |
| Scrap price (Yen/metric ton) | 44,700 | 45,800 | 1,100 |
| Spread (Yen/metric ton) | 48,500 | 47,200 | -1,300 |
| Operating profit (million yen) | 2,100 | 0 | -2,100 |

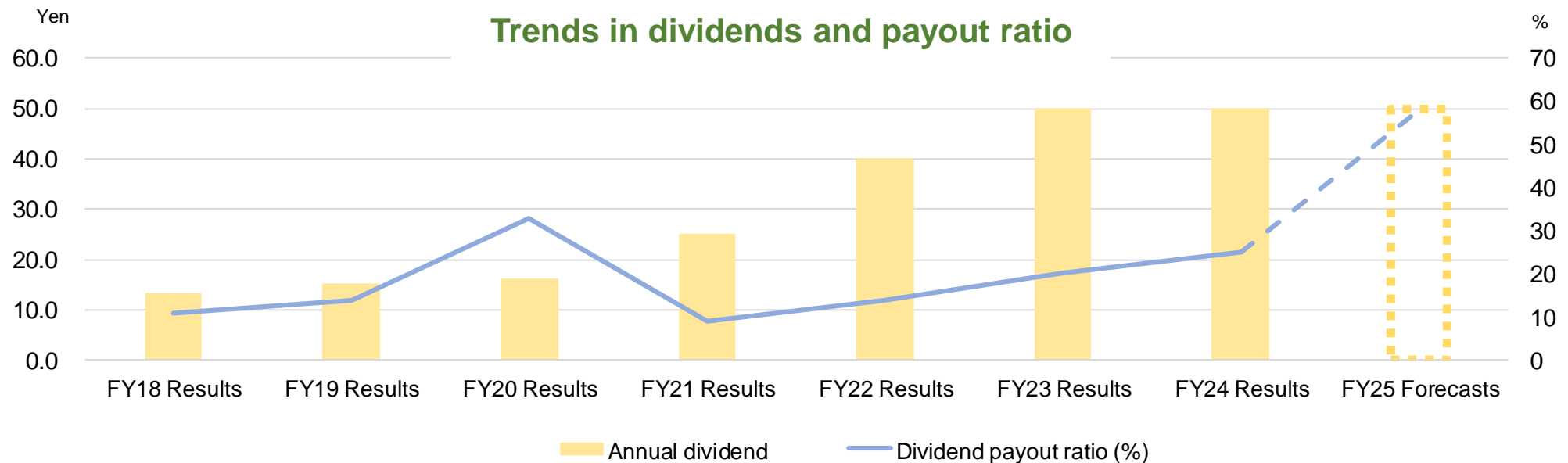
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Shareholder Return

Shareholder Return

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| FY | FY18 Results | FY19 Results | FY20 Results | FY21 Results | FY22 Results | FY23 Results | FY24 Results | FY25 Forecasts |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| | Yen | Yen | Yen | Yen | Yen | Yen | Yen | Yen |
| Interim dividend | 6.0 | 7.0 | 8.0 | 10.0 | 20.0 | 25.0 | 25.0 | 25.0 |
| Year-end dividend | 7.0 | 8.0 | 8.0 | 15.0 | 20.0 | 25.0 | 25.0 | 25.0 |
| Annual dividend | 13.0 | 15.0 | 16.0 | 25.0 | 40.0 | 50.0 | 50.0 | 50.0 |
| Total amount of treasury stock purchased (million yen) | 3,877 | 11,778 | 1,999 | 5,710 | 3,499 | 3,731 | 9,999 | - |
| Dividend payout ratio (%) | 11 | 14 | 33 | 9 | 14 | 20 | 25 | 58 |
| Total return ratio (%) | 36 | 99 | 66 | 27 | 26 | 33 | 72 | 58 |



4

Reference Information

Our Steel Products Are Adopted in Several Models Produced by Toyota Motor

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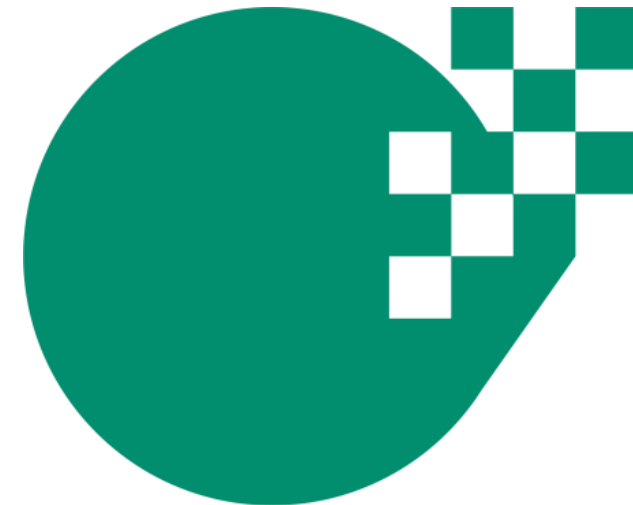


Announced on November 11, 2025

In the field of automotive steel plates, where the application of electric arc furnace (EAF) steel has traditionally been considered difficult due to challenges in chemical composition control and quality consistency, our pickled coils upcycled using only steel scrap as raw material have been selected for use in multiple vehicle models produced by Toyota Motor Corporation.



Pickled coil



GREEN EV STEEL

**Green EV Steel Business Promotion
Office Logo**

Publication of Two Reports Demonstrating the Importance of Electric Arc Furnace Steelmaking P 19

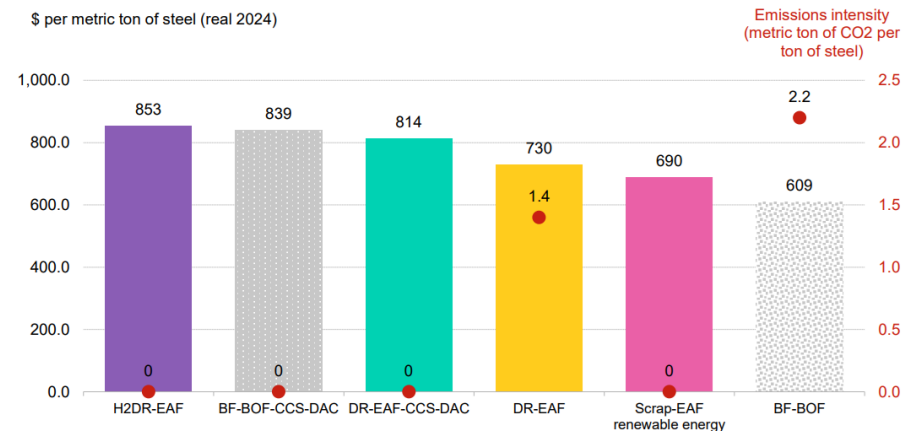
Announced on December 2, 2025

Bloomberg NEF announced the report, “Decarbonization of Japan’s Steel Industry: Economics and Path Forward.”
Economic superiority in decarbonization of scrap-based EAF was demonstrated.

Announced on December 25, 2025

Tokyo Steel Scrap Research Team announced the report, “Circulation of Steel Resources in 2030.”
It proposed the Circular Steel Ratio (CSR), an indicator that measures the extent to which domestic steel demand can be covered by domestically generated steel scrap. CSR in 2030 was estimated to be 67.2%

Figure 24: Japan’s leveled cost of steel in 2050 by production pathway



Source: BloombergNEF. Note: BF-BOF-CCS-DAC and BF-BOF represent retrofits while others represent new builds. Hydrogen based on cracking blue ammonia from Saudi Arabia. Carbon capture and storage (CCS) based on pipeline and offshore storage. Benchmarked against blast furnace-basic oxygen furnace (BF-BOF) emissions. DAC is direct air capture. DRI is direct reduced iron. DAC is direct air capture.

『Decarbonization of
Japan’s Steel
Industry: Economics
and Path Forward』
(BloomBerg NEF)

“Circulation of Steel
Resources in 2030”
Tokyo Steel Scrap
Research Team

$$\text{Circular steel ratio (CSR) (\%)} = \frac{(\text{p:blast furnace} \cdot \text{s:blast furnace} \cdot \text{c:blast furnace}) + (\text{p:ordinary steel electric furnace} \cdot \text{s:ordinary steel electric furnace} \cdot \text{c:ordinary steel electric furnace}) + (\text{p:specialty steel electric furnace} \cdot \text{s:specialty steel electric furnace} \cdot \text{c:specialty steel electric furnace}) + (\text{p:casting} \cdot \text{s:casting} \cdot \text{c:casting})}{\text{Domestic steel demand D}}$$

p is an abbreviation of production, s is scrap, c is circulation, and D is demand.
As a result of the calculation, the circular steel ratio in fiscal 2030 was estimated to be 67.2%.

| Unit: tons | |
|--|------------|
| Amount of domestic steel products produced from domestic scrap (P = ∑ p · s · c) | 36,200,908 |
| Domestic steel demand (D) | 53,851,555 |
| Circular steel ratio (P/D) CSR: Circular Steel Ratio | 67.2% |

Table 11. Circular Steel Ratio (CSR) (Fiscal 2030)

Acquisition of EPD for Hot Rolled Coils Using Non-fossil Electric Power

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Announced on December 25, 2025

- We acquired the Environmental Product Declaration (EPD) for Hot Rolled Coils using non-fossil power from UL Solutions (the first in the Japanese steel industry)
- We provide environmental information on low-CO₂ steel product in the form of EPD to meet a wide range of needs in Japan and overseas

EPD for conventional steel products



Date of certification: December 12, 2024

EPD for non-fossil power steel products



Date of certification: December 22, 2025

We acquired EPD for non-fossil power steel products in addition to conventional products



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