

Fiscal Year Ended March 2024  
**Financial Results  
Presentation**

May 9, 2024 (Thursday)

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# Financial Results for Fiscal Year Ended March 31, 2024

# Consolidated Operating Results

Net sales and operating profit increased compared with FY2023 forecast, down from the FY2022 results

Reasons for  
Decrease in Revenue

Reduced sales volume due to long-term suspension of electric arc furnace(EAF) by construction in summer

Reasons for  
Decrease in Profit


Despite of metal spread expansion, operating profit decreased due to decrease in production by halt in factory operations

(JPY Million)	FY2022	FY2023		Changes Vs FY2022		Change Vs Forecast	
		Forecast ※	Results	Increase/Decrease Change	%	Increase/Decrease Change	%
<b>Net sales</b>	76,320	<b>67,600</b>	<b>67,785</b>	-8,535	-11.2%	185	0.3%
<b>Operating profit</b>	12,261	<b>9,900</b>	<b>10,425</b>	-1,836	-15.0%	525	5.3%
<b>Ordinary profit</b>	12,328	<b>9,800</b>	<b>10,228</b>	-2,100	-17.0%	428	4.4%
<b>Profit attributable to owners of parent</b>	8,577	<b>6,700</b>	<b>7,133</b>	-1,443	-16.6%	433	6.5%
<b>Sales volume (Thousand tons)</b>	580	<b>520</b>	<b>520</b>	-60	-10.3%	0	0%

※Revised forecast on November 2023

# FY2023 Quarterly consolidated results

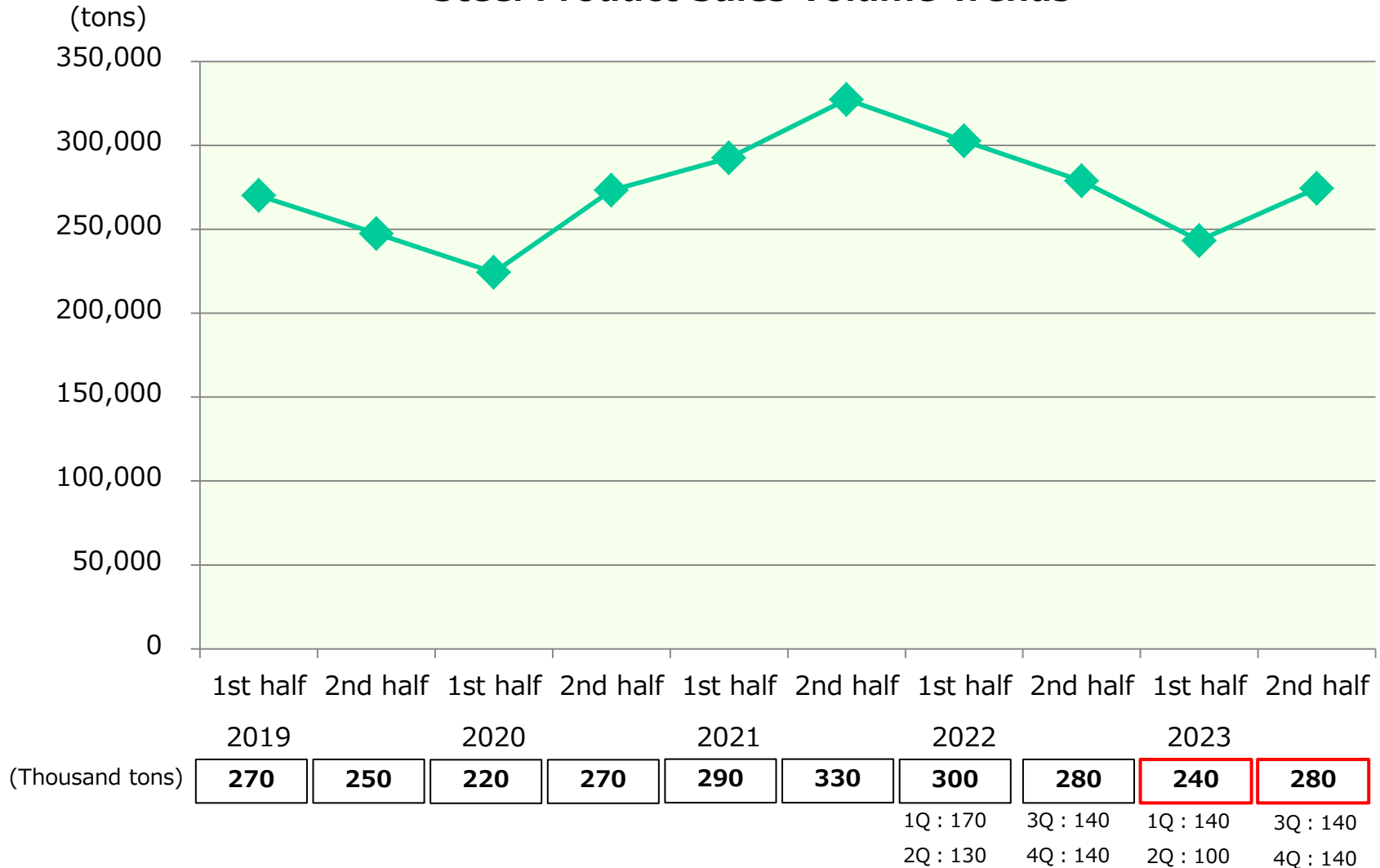
Ordinary profit declined during 2Q due to long-term suspension of EAF by construction, Sales quantity was achieved as forecast and profits exceeded forecast in the latter half

(JPY Million)		FY2023				
		1Q	2Q	3Q	4Q	Full year
Net sales	Forecast ※	–	–	17,300	17,500	67,600
	Results	19,036	13,673	17,728	17,346	67,785
Ordinary profit	Forecast ※	–	–	2,600	2,800	9,800
	Results	3,470	893	3,108	2,756	10,288
Sales volume (Thousand tons)	Forecast ※	–	–	14	14	52
	Results	14	10	14	14	52
Long-term suspension construction schedule			7/3~9/21 			

※Revised forecast on November 2023

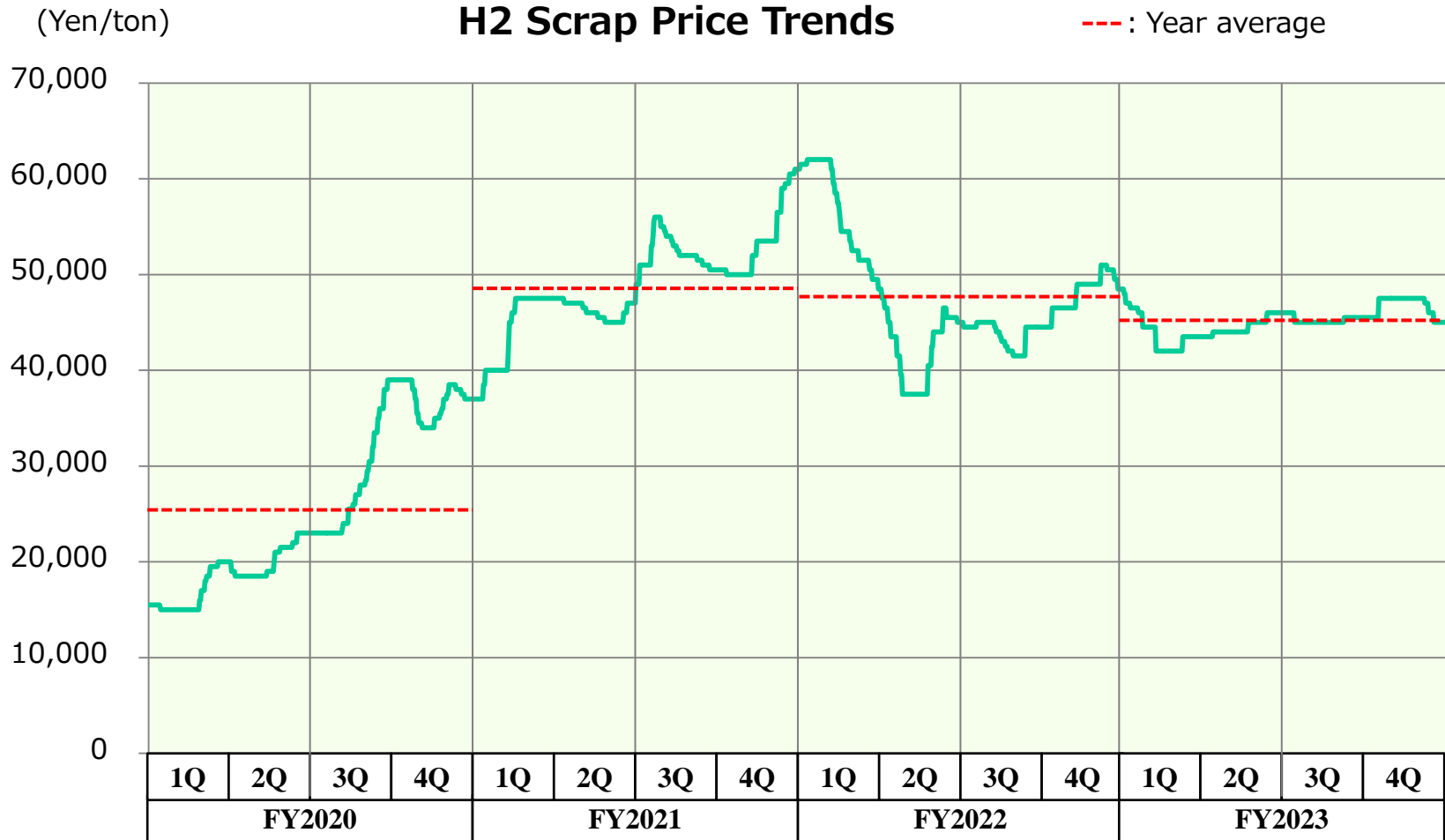
# Steel Product Sales Volume Trends

## Steel Product Sales Volume Trends



\* The company's steel product sales volume(including external slabs sales)

# Steel Scrap Prices Trends



\* Purchase price for H2

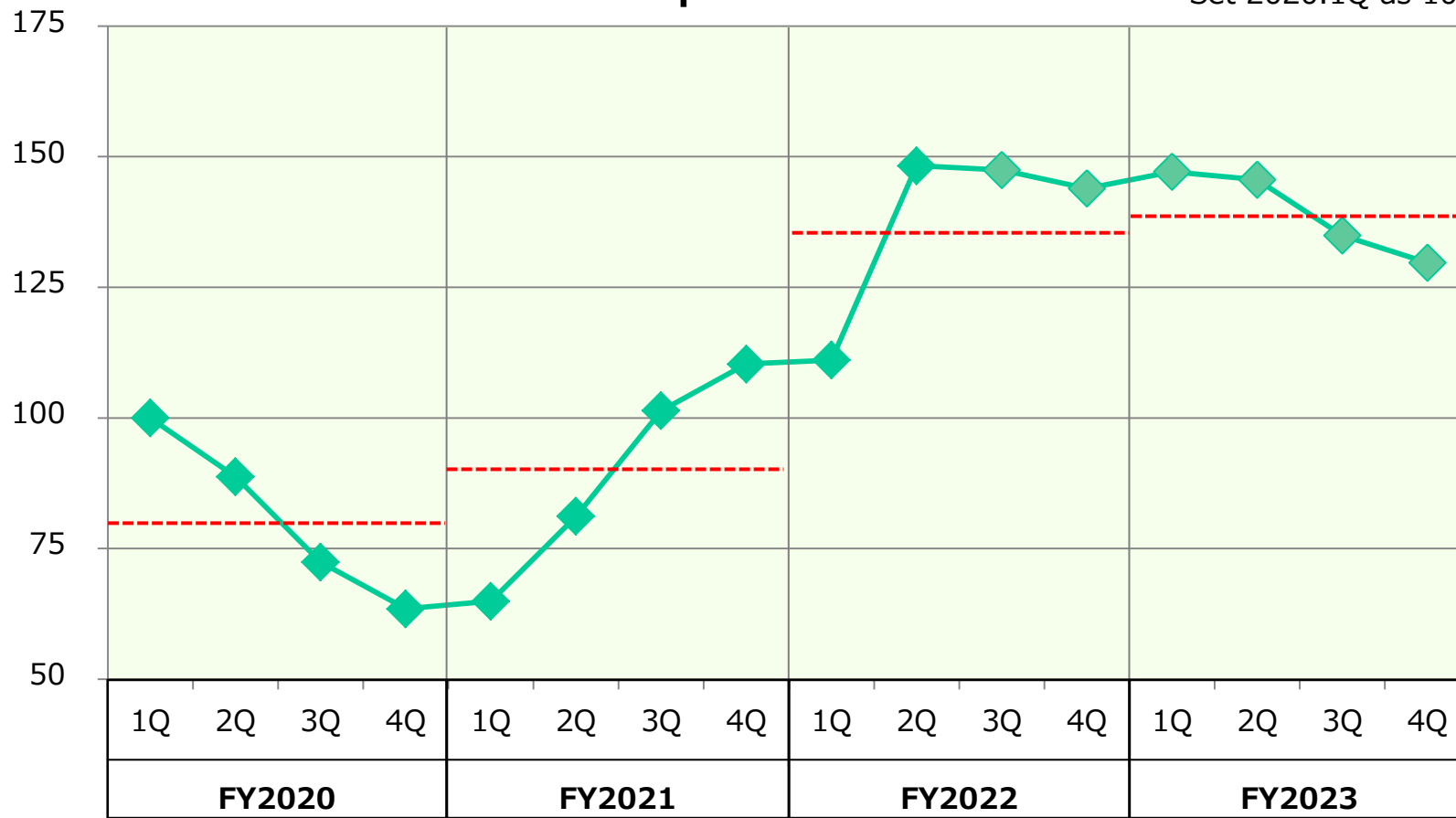
# Metal Spread Trends

Index (%)

--- : Year average

## Metal Spread Trends

Set 2020.1Q as 100

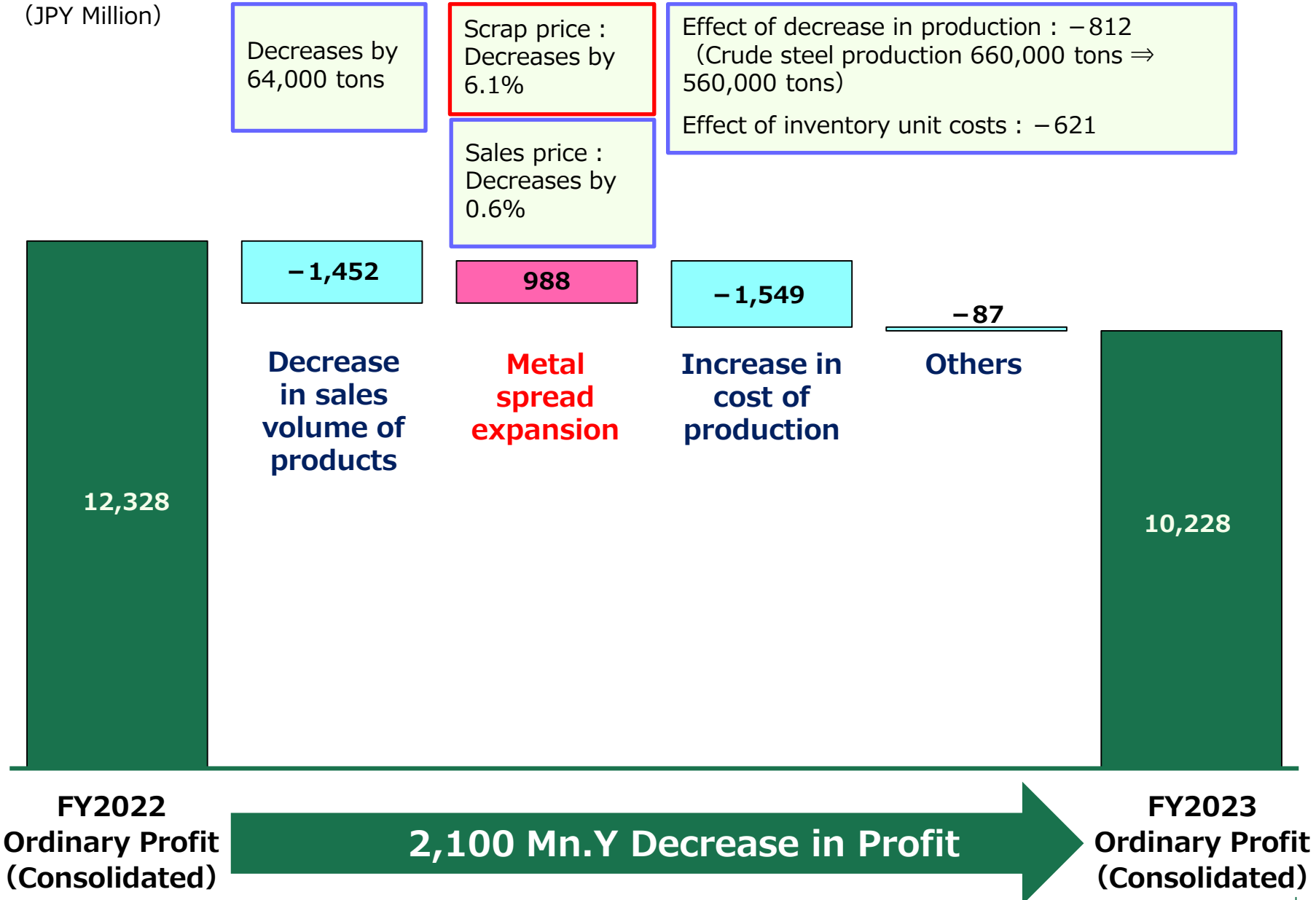


\* The spread between sales price of steel products and raw material payment price



# Factors for changes in Ordinary Profit(Y/Y, Consolidated)

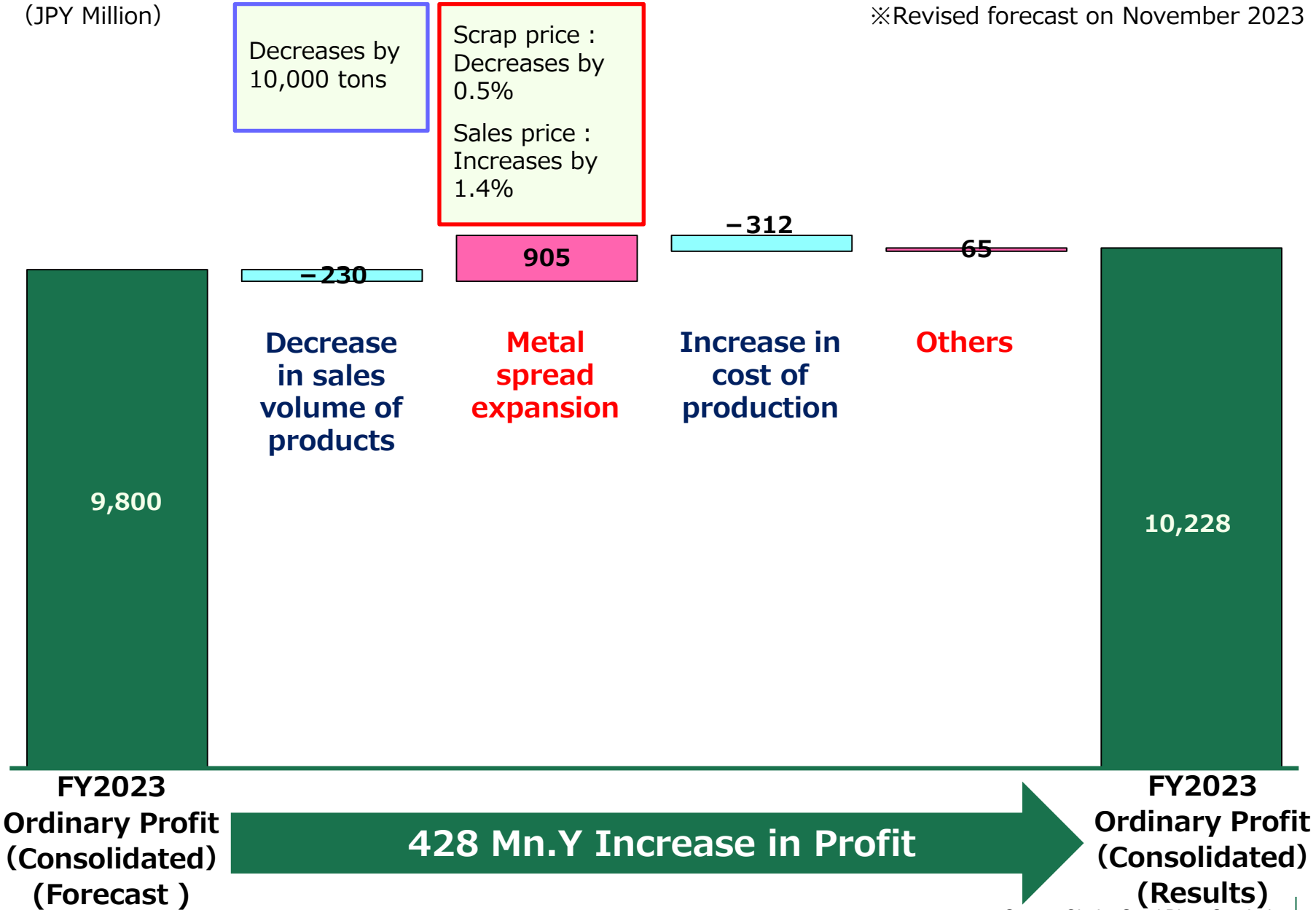
(JPY Million)



# Factors for changes in Ordinary Profit(vs. guidance, Consolidated)

(JPY Million)

※Revised forecast on November 2023



Decreases by 10,000 tons

Scrap price : Decreases by 0.5%  
Sales price : Increases by 1.4%

-230

905

-312

65

Decrease in sales volume of products

Metal spread expansion

Increase in cost of production

Others

9,800

10,228

FY2023

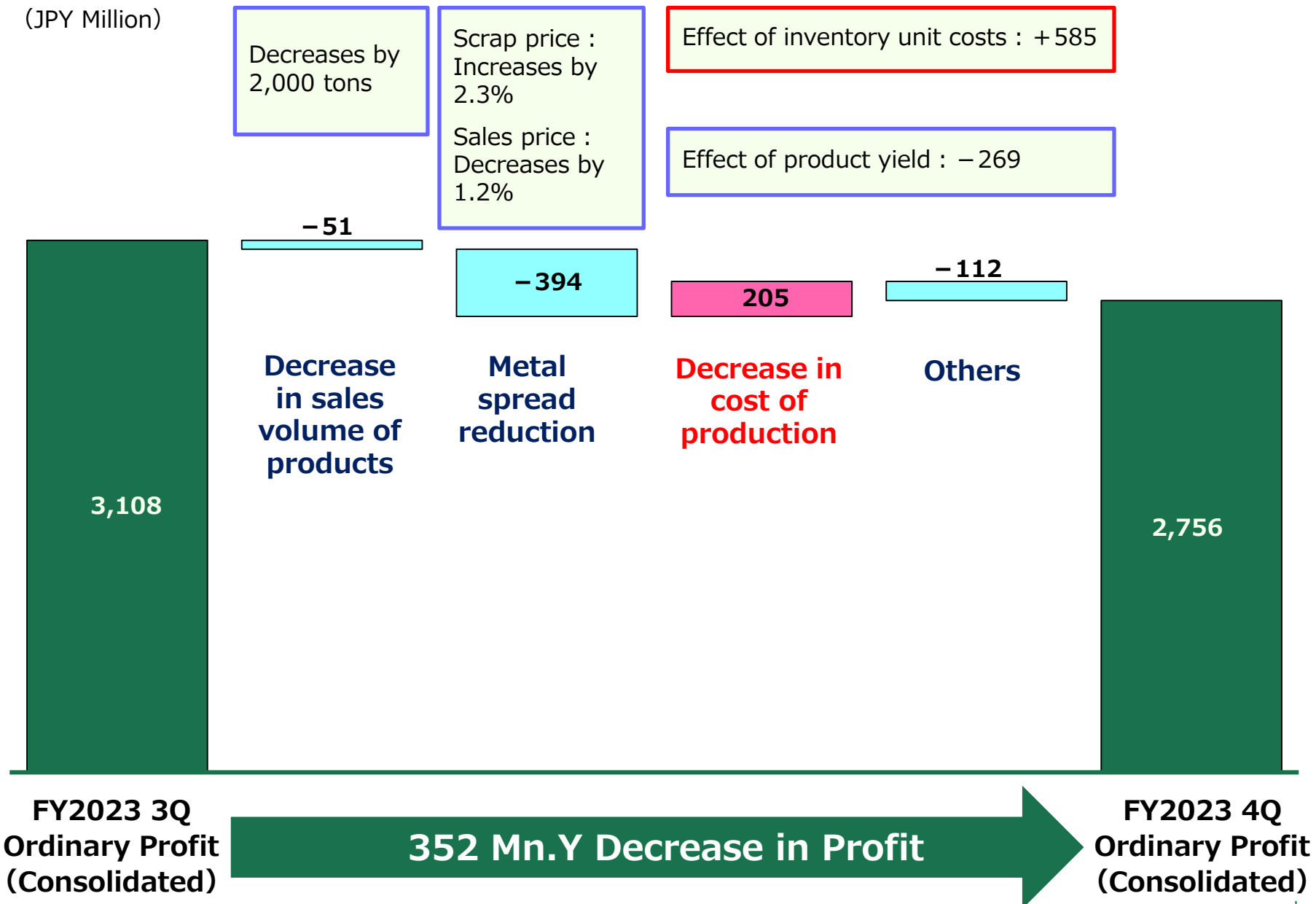
Ordinary Profit (Consolidated) (Forecast)

FY2023

Ordinary Profit (Consolidated) (Results)

428 Mn.Y Increase in Profit

# Factors for changes in Ordinary Profit(FY23 3Q vs. FY23 4Q, Consolidated)

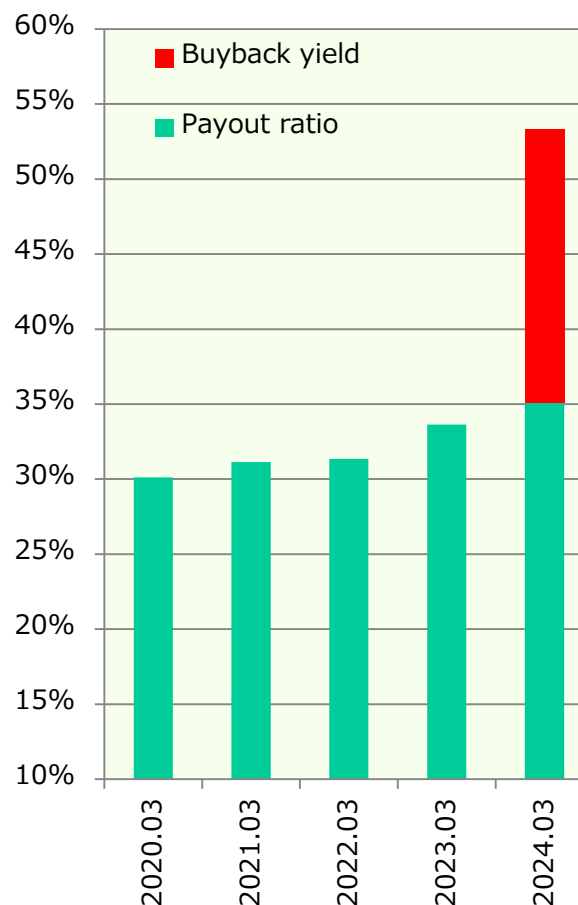
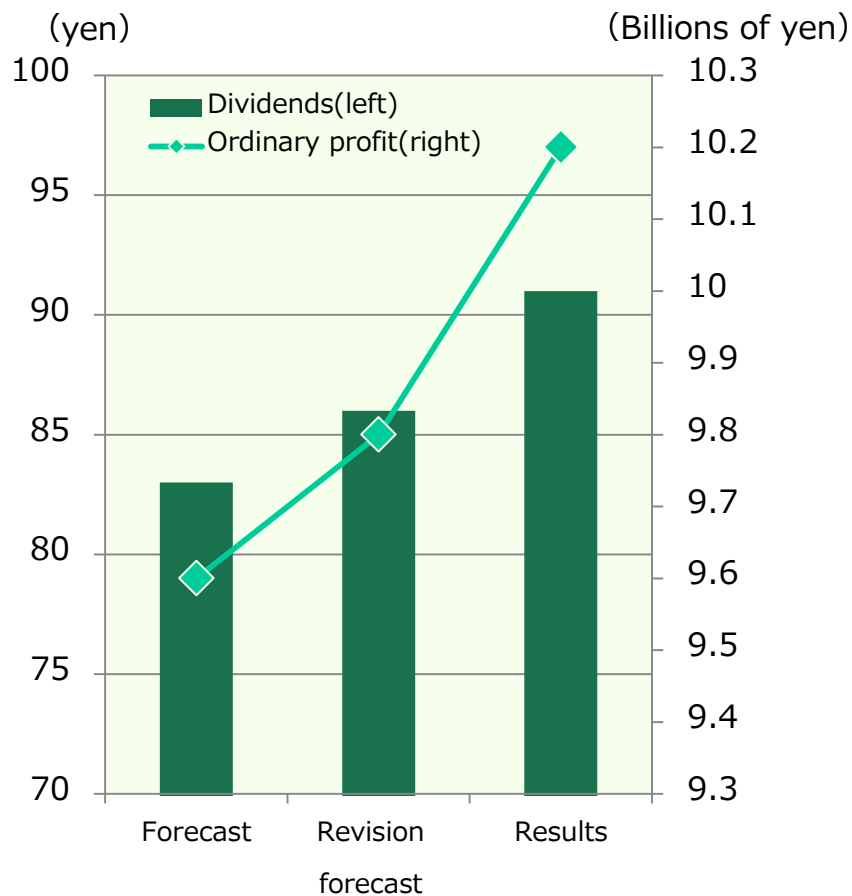


# FY2023 dividends

FY2023 dividend policies

Whichever is higher

「Dividend payout ratio 35% or 60 yen/share」



Dividends (left)	83	86	91
Ordinary profit (right)	96	98	102

# Our Position in the EAF Industry

## Our Position in the EAF Industry

### Ordinary profit margin of EAF companies

Net sales rank	Company name	Main steel products				Ordinary profit rate			
						FY2022		FY2023 3Q	
						Profit margin	Rank	Profit margin	Rank
1	Company A	Bars	Sections	Steel sheets	Steel plates	10.9%	3	11.3%	4
2	Company B	Bars	Sections			4.1%	10	6.3%	8
3	Company C	Bars	Sections			2.4%	12	3.8%	10
4	Company D	Bars	Sections			6.7%	5	9.2%	5
5	Company E	Bars		Steel sheets	Steel plates	7.1%	4	6.8%	7
6	Company F		Sections			50.2%	1	60.0%	1
7	Company G	Bars	Sections			6.5%	6	—	—
8	Company H	Bars	Sections			5.4%	8	5.6%	9
9	Company I	Bars				6.2%	7	13.6%	3
10	Our company				Steel plates	16.2%	2	14.8%	2
11	Company J	Bars				4.7%	9	7.5%	6
12	Company K	Bars	Sections			3.6%	11	2.6%	11

- Despite of FY2023 3Q ordinary profit margin lower than previous year, profit margin still higher than 10%.
- Companies whose main product is steel plates tend to have higher profit margin.

# Results by segment

(JPY Million)

	FY2022		FY2023		Increase/Decrease	
	Net sales to external customers	Operating profit	Net sales to external customers	Operating profit	Net sales to external customers	Operating profit
<b>Steel related business</b>	73,385	11,800	<b>65,020</b>	<b>10,019</b>	-8,364	-1,781
<b>Others</b>	2,934	460	<b>2,765</b>	<b>406</b>	-169	-54
<b>Consolidated total</b>	<b>76,320</b>	<b>12,261</b>	<b>67,785</b>	<b>10,425</b>	<b>-8,535</b>	<b>-1,836</b>

# Financial condition (Consolidated)

		(JPY Million)		
		As of March 31, 2023	As of March 31, 2024	Increase /Decrease
<b>Assets</b>	Cash and deposits	10,906	<b>13,516</b>	+ 2,610
	Trade receivables	21,562	<b>27,083</b>	+ 5,520
	Securities	14,597	<b>6,998</b>	- 7,599
	Inventory	13,305	<b>13,575</b>	+ 270
	Property, plant and equipment	19,028	<b>21,382</b>	+ 2,354
	Others	8,695	<b>10,992</b>	+ 2,297
	<b>Total assets</b>	<b>88,095</b>	<b>93,548</b>	<b>+ 5,453</b>
<b>Liabilities</b>	Notes and accounts payable - trade	7,340	<b>8,071</b>	+ 731
	Non-current liabilities	1,047	<b>1,063</b>	+ 15
	Others	5,987	<b>6,918</b>	+ 931
	<b>Total liabilities</b>	<b>14,375</b>	<b>16,053</b>	<b>+ 1,678</b>
<b>Net assets</b>	Shareholders' equity	71,753	<b>74,444</b>	+ 2,691
	Others	1,966	<b>3,049</b>	+ 1,083
	<b>Total net assets</b>	<b>73,720</b>	<b>77,494</b>	<b>+ 3,774</b>
<b>Total liabilities and net assets</b>		<b>88,095</b>	<b>93,548</b>	<b>+ 5,453</b>

# Financial Forecast for Fiscal Year Ending March 31,2025



# FY2024 Consolidated Financial Forecast

## Reasons for Increases in Revenue

Similar to the previous term, we expect that both the sales volume and prices will be almost at the same level as the previous term due to long-term suspension effect resulting from renewal of EAF

## Reasons for Decrease in Profit


Despite of stable sales volume, we expect a decrease in profit compared to the previous term due to reduction of metal spread, decrease in production, and the impact of construction-related costs

(JPY Million)	FY2023		FY2024 [Forecast]		Increase/Decrease	
	1st half	Full year	1st half	Full year	1st half	Full year
<b>Net sales</b>	32,709	67,785	<b>31,100</b>	<b>68,000</b>	-4.9%	+0.3%
<b>Operating profit</b>	4,425	10,425	<b>4,100</b>	<b>9,500</b>	-7.3%	-8.9%
<b>Ordinary profit</b>	4,363	10,228	<b>4,100</b>	<b>9,100</b>	-6.0%	-11.0%
<b>Profit attributable to owners of parent</b>	3,044	7,133	<b>2,700</b>	<b>6,100</b>	-11.3%	-14.5%
<b>Annual dividends (yen)</b>	30	91	<b>50</b>	<b>101</b>	-	-
<b>Sales volume (thousand tons)</b>	240	520	<b>240</b>	<b>530</b>	0.0%	+1.9%
<b>Crude steel amount (thousand tons)</b>	210	560	<b>240</b>	<b>510</b>	+14.3%	-8.9%

# FY2024 Quarterly consolidated forecast

During the construction suspension period, both sales volume and revenue will decline as previous term, but after new EAF starts operating, sales volume is expected to increase, and revenue will also increase

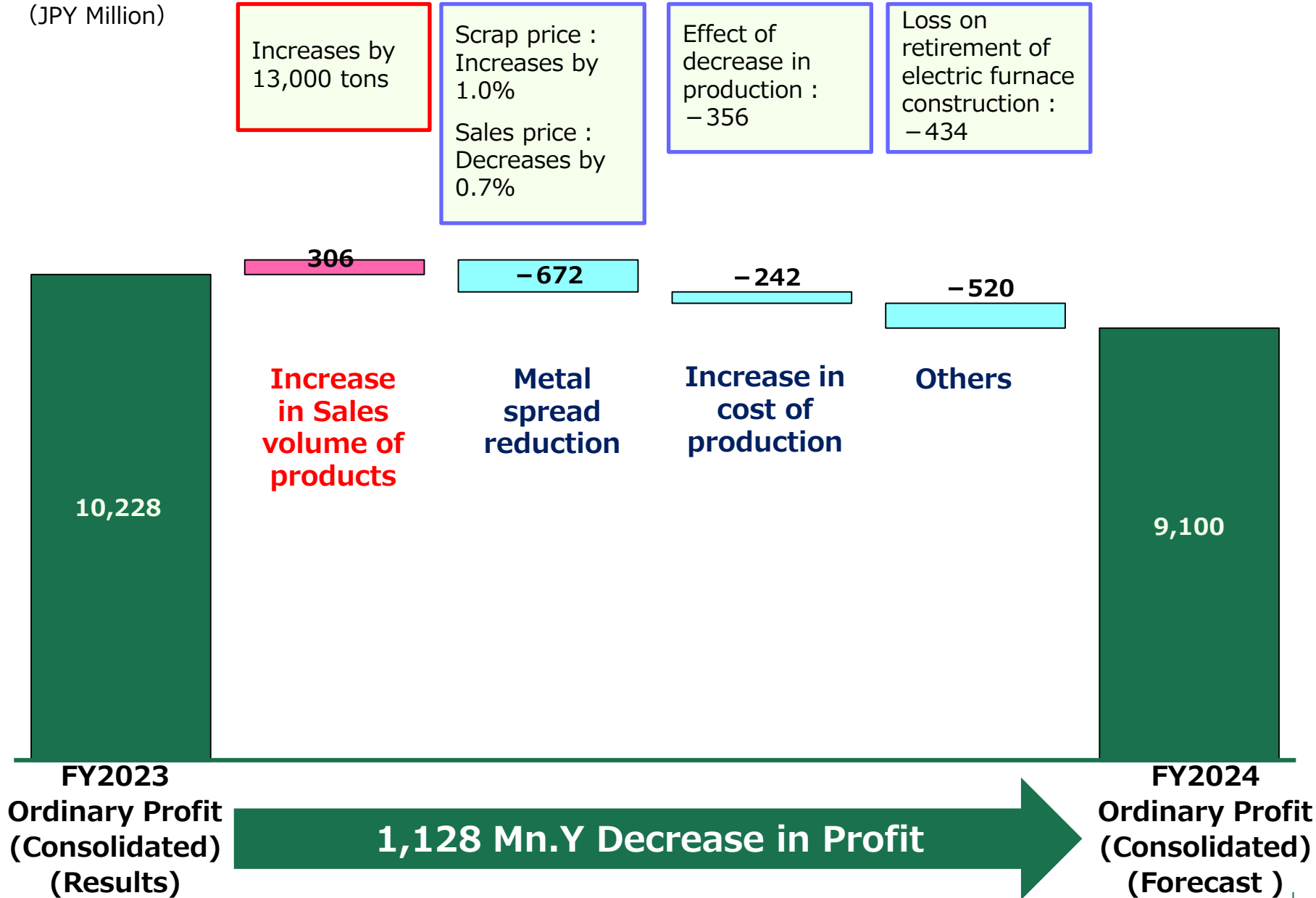
(JPY Million)	FY2024 【Forecast】				
	1Q	2Q	3Q	4Q	Full year
<b>Net sales</b>	16,900	14,200	16,100	20,700	68,000
<b>Ordinary profit</b>	2,900	1,100	1,500	3,500	9,100
<b>Sales volume (thousand tons)</b>	13	11	12	16	53
<b>EAF renewal work schedule</b>		7/22	10/29start		



Steelmaking factory 4 shifts from April 2025

# Factors for changes in Ordinary Profit guidance(Y/Y, Consolidated)

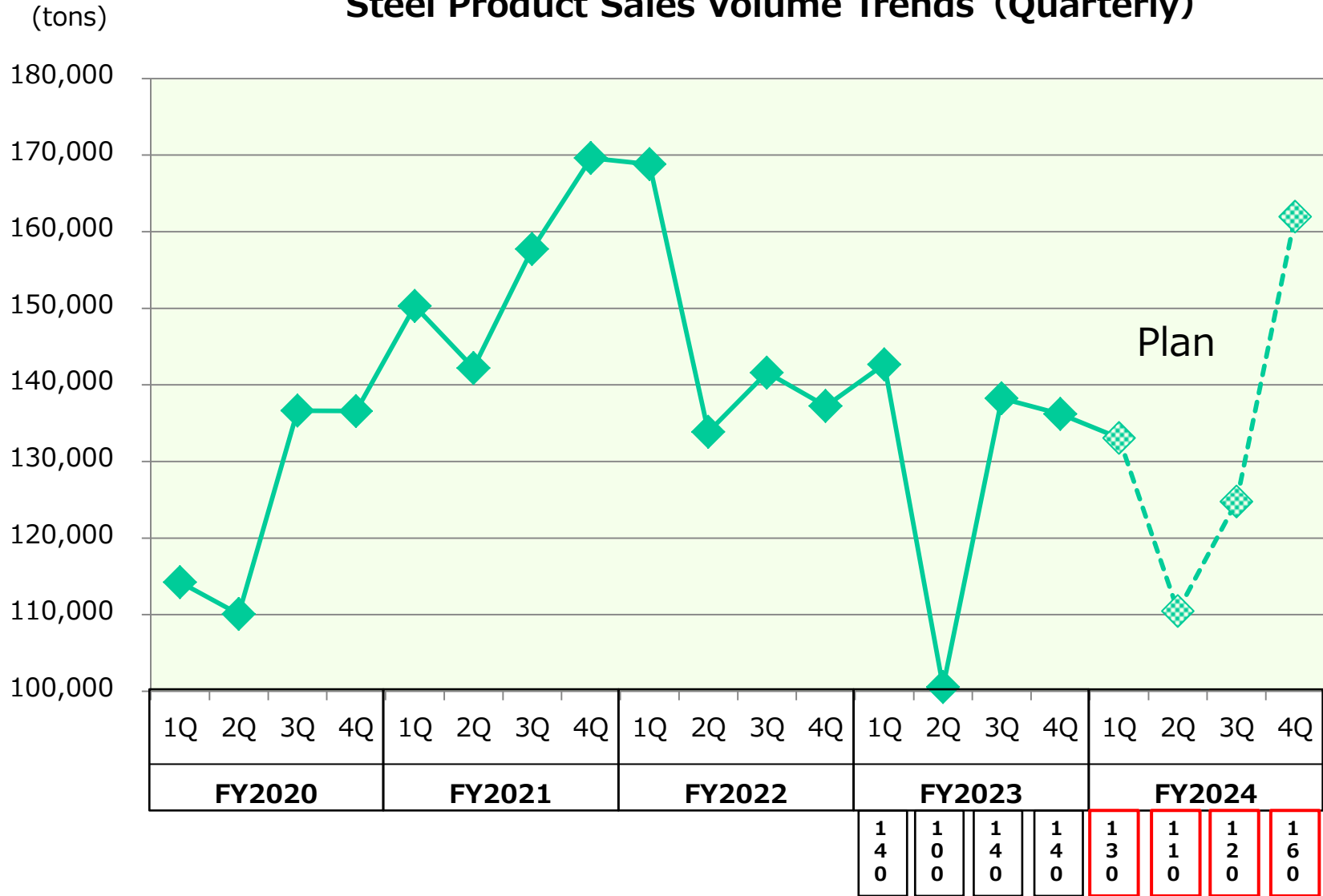
(JPY Million)



# Steel Product Sales Volume Trends

\* The company's steel product sales volume(including external slabs sales)

## Steel Product Sales Volume Trends (Quarterly)



(Thousand tons)

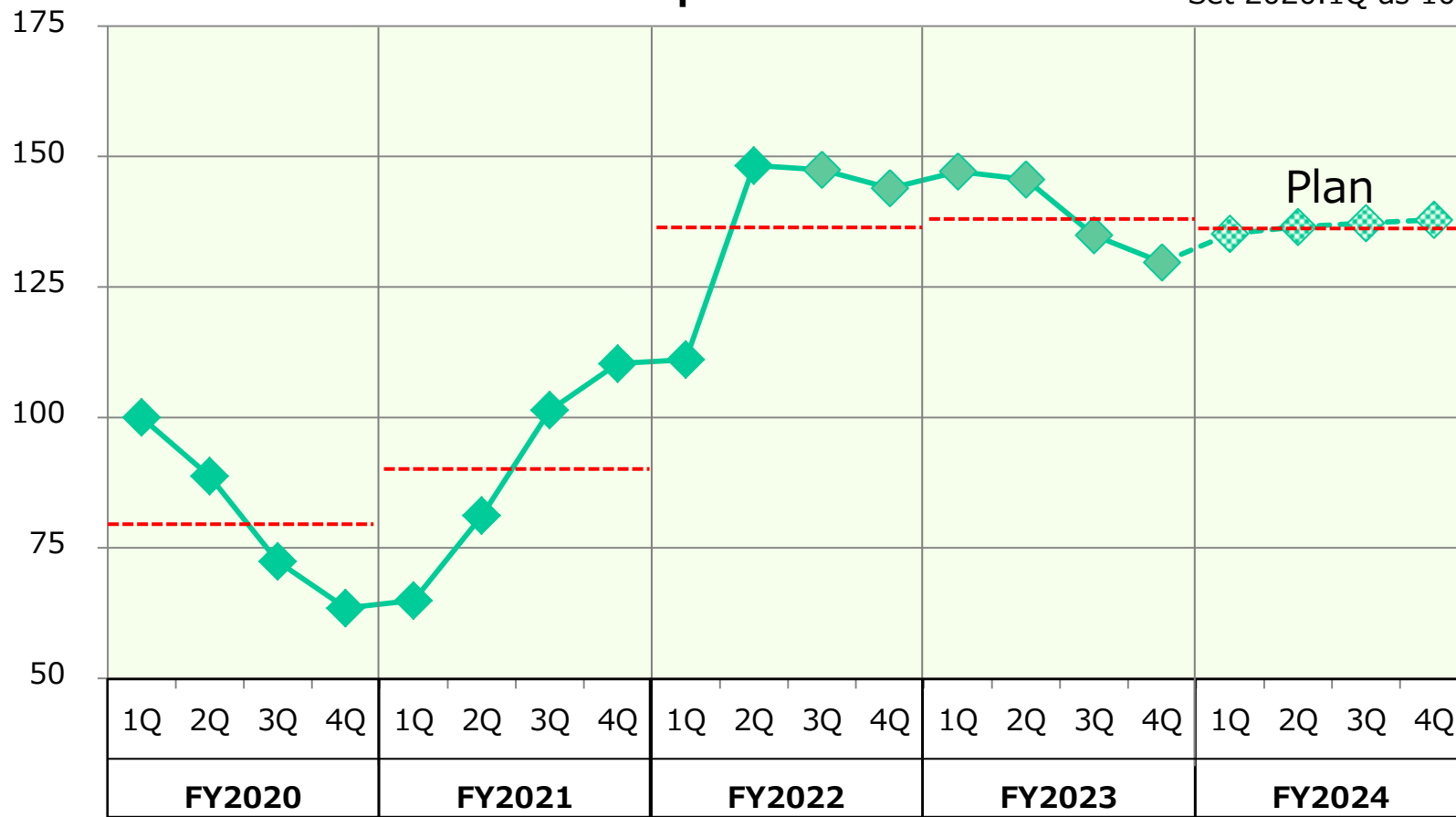
# Metal Spread Trends

Index (%)

--- : Year average

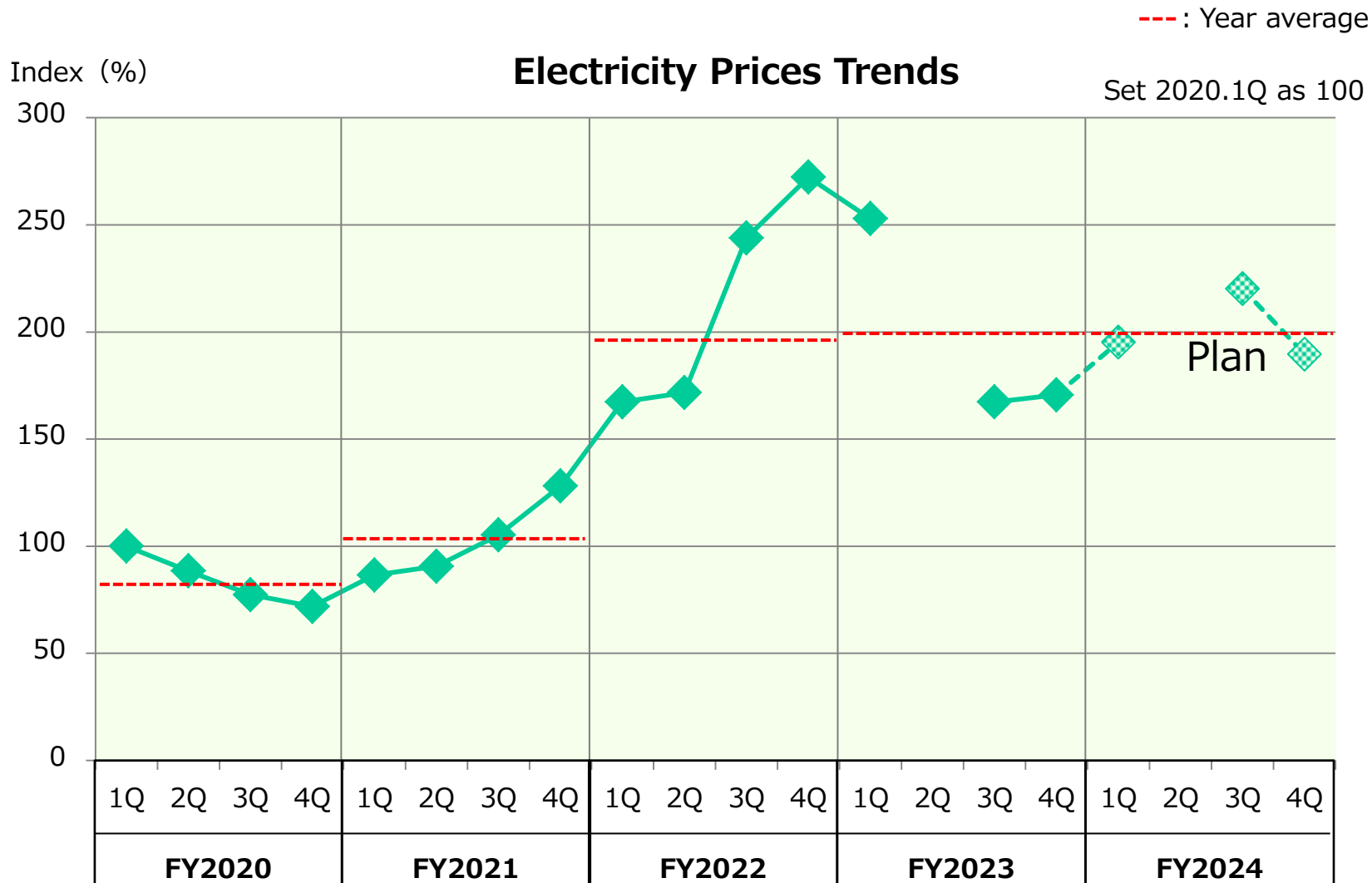
## Metal Spread Trends

Set 2020.1Q as 100



\* The spread between sales price of steel products and raw material payment price

# Electricity Prices Trends



\* Our electricity purchase price

## Dividend policy

### 【Dividend policy in FY2024】

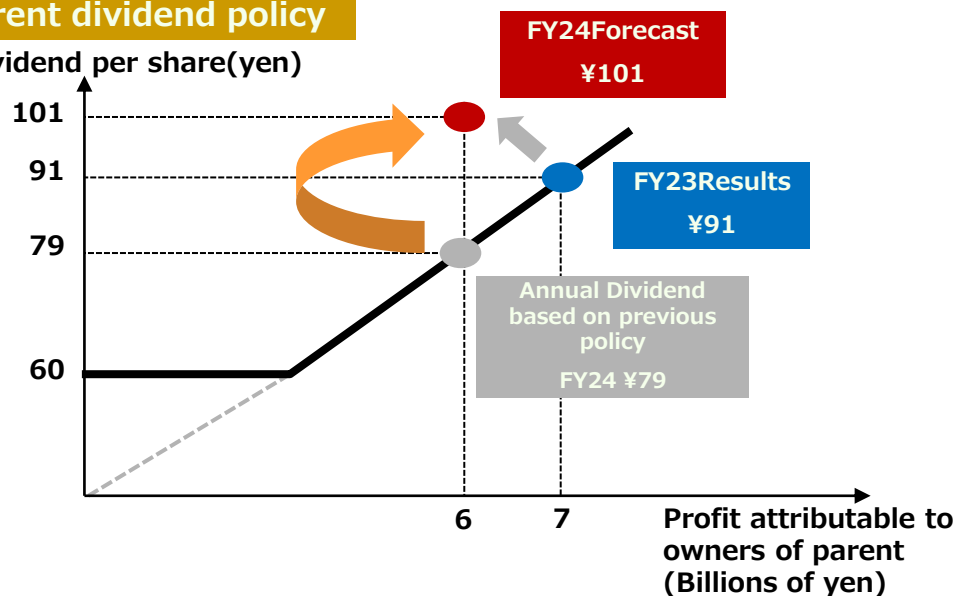
- Provide stable shareholder returns without being affected by fluctuations in business performance
- Consider share buyback when business performance improves

**DOE3.5%**

\* Annual dividend for FY24 is expected to be around **101 yen/share**

### Current dividend policy

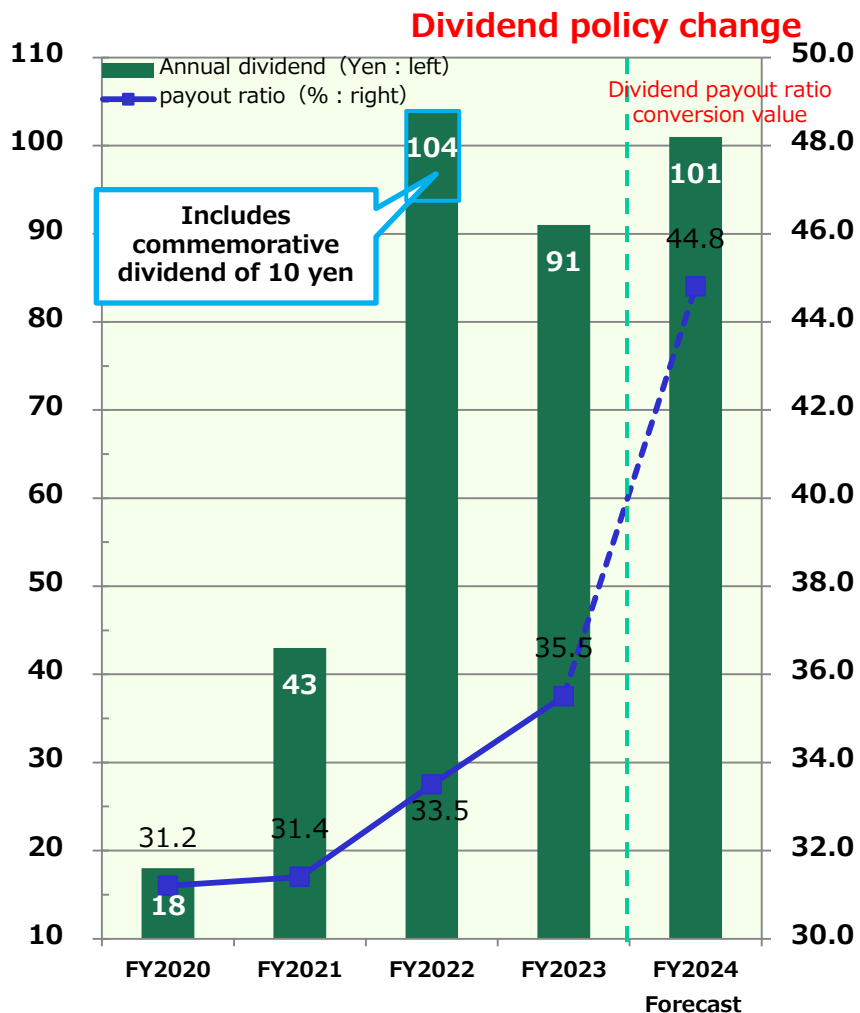
Dividend per share(yen)



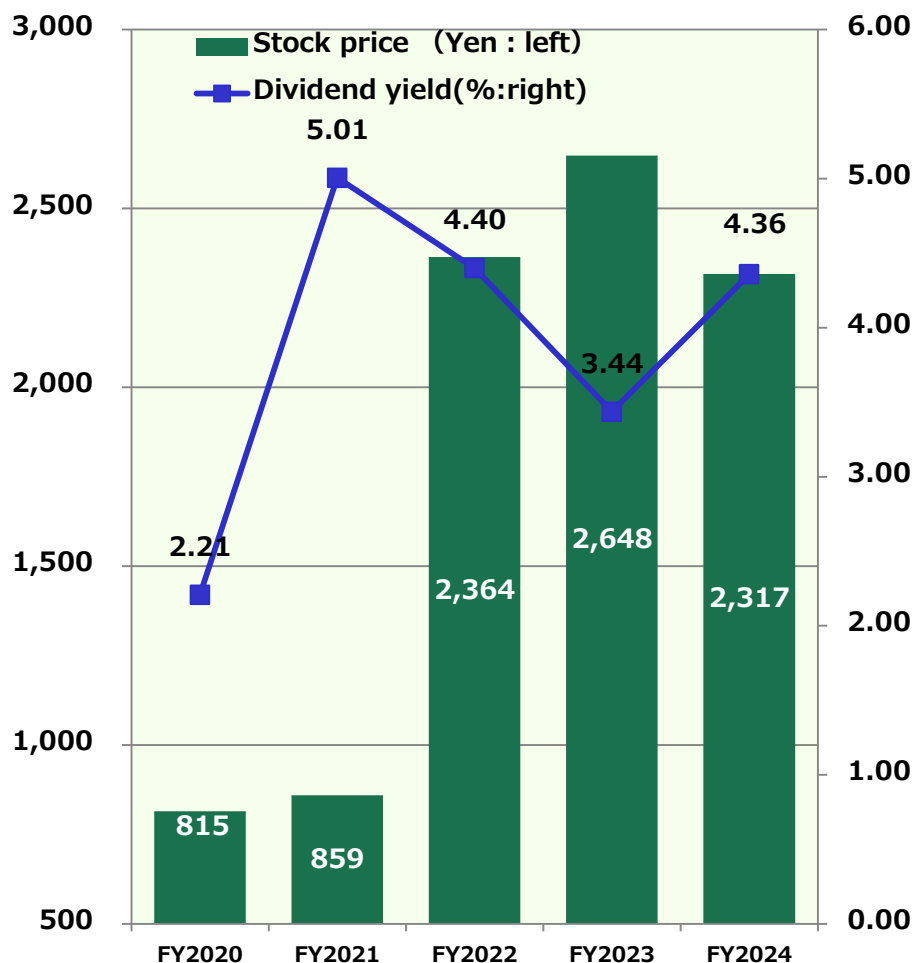
$\text{DOE} = \text{Total annual dividend amount} \div \left( \frac{\text{Equity capital beginning of period} + \text{Equity capital end of period}}{2} \right)$   
 Equity capital = Net assets - Non-controlling interests

# FY2024 Dividend forecast

## Dividend and payout ratio



## Stock price and Dividend yield

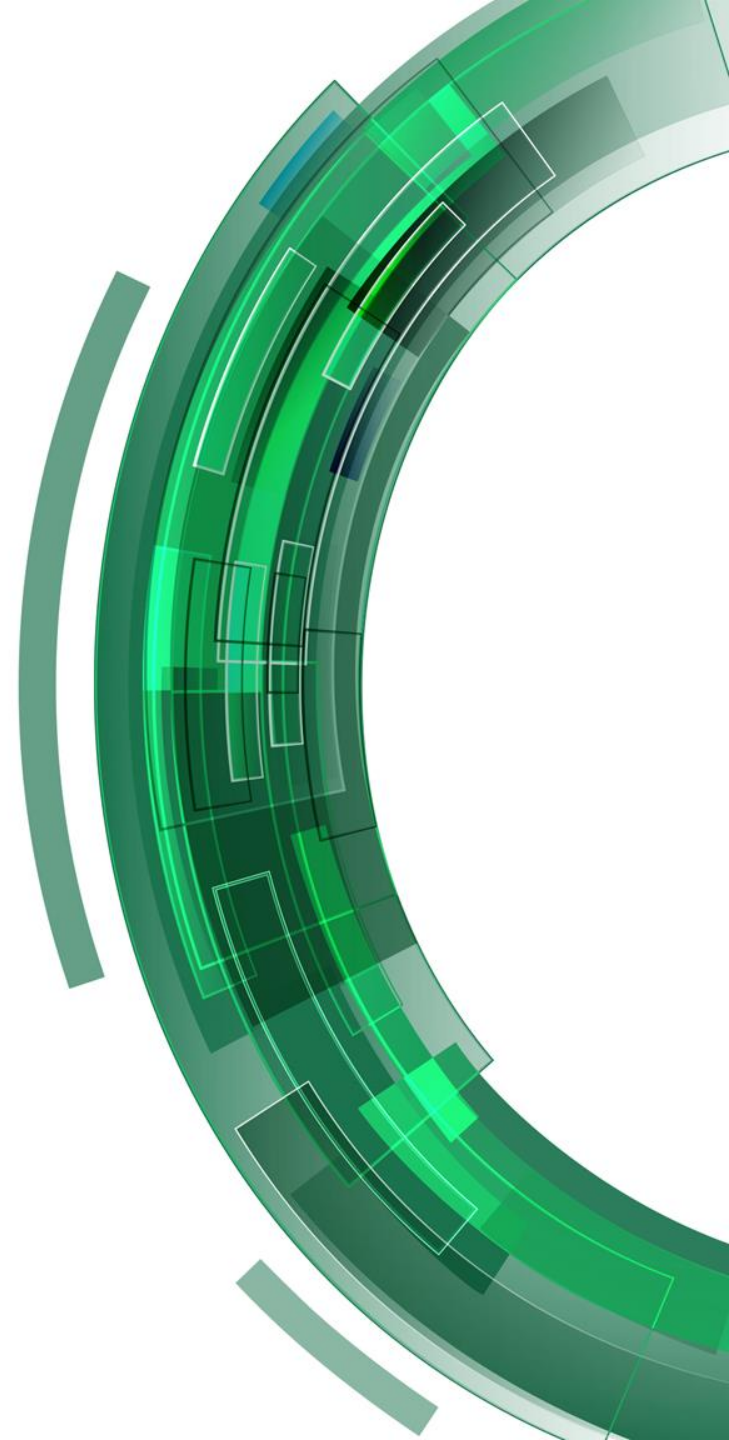


As of the end of April '24

※Stock price as of end-Mar



Thank you for your  
attention



# Reference materials

# Stock price trends

■ Our company listed on the Tokyo Stock Exchange Prime Market on December 28, 2022.

Double listing on Nagoya Stock Exchange (Premier Market)

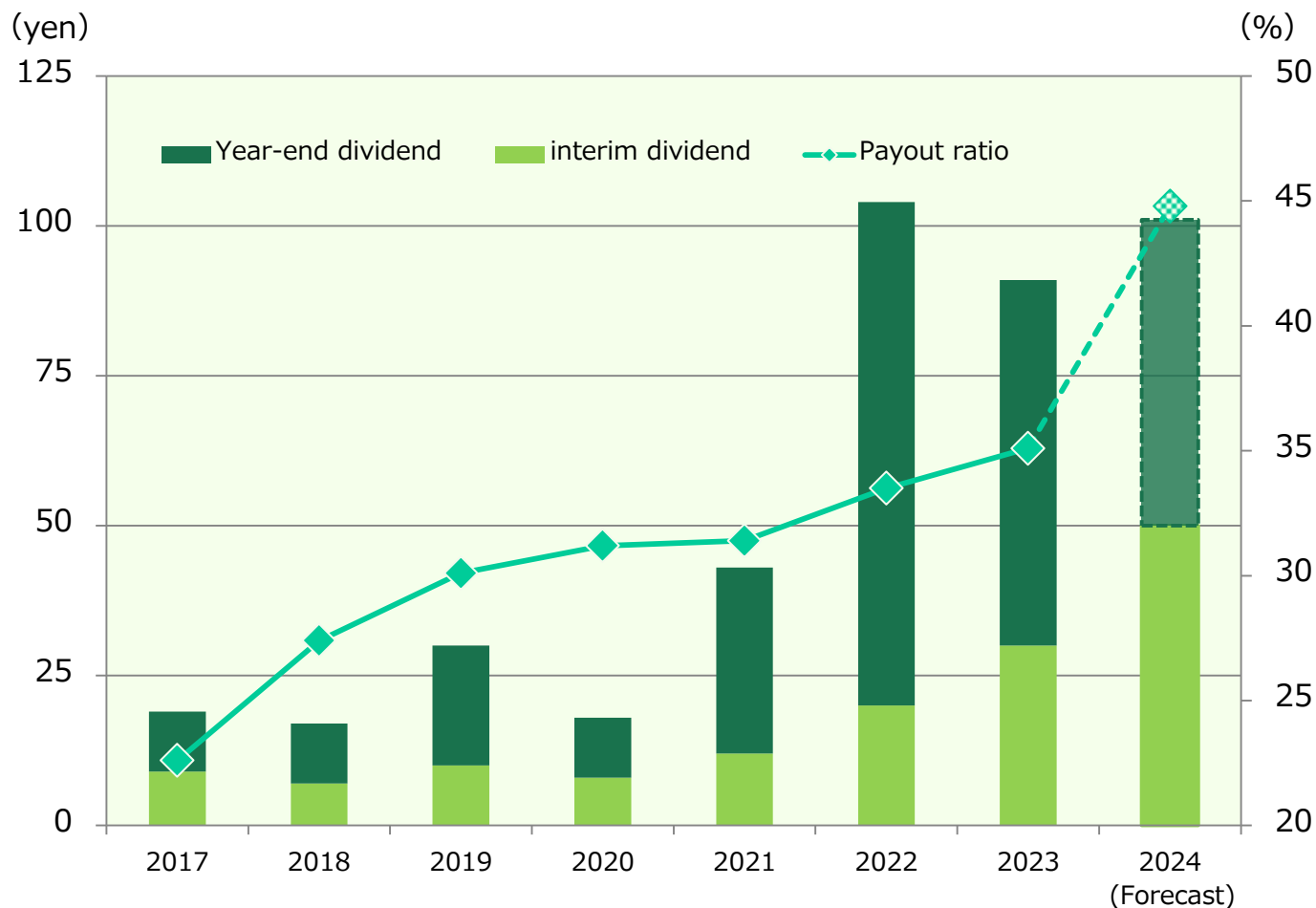
➤ Stock prices rose significantly and trading volume increased



# Quarterly performance trends

JPY Million	FY2021				FY2022				FY2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net sales	12,649	13,993	17,718	20,037	21,095	18,201	18,768	18,254	19,036	13,673	17,728	17,346
Cost of sales	11,232	12,053	14,137	16,147	17,110	13,863	13,771	13,747	14,234	11,519	13,212	13,102
Gross profit	1,417	1,940	3,580	3,890	3,985	4,337	4,997	4,507	4,802	2,153	4,516	4,244
selling, general and administrative expenses	1,265	1,211	1,396	1,401	1,433	1,311	1,405	1,416	1,403	1,127	1,391	1,368
Operating profit	152	728	2,183	2,489	2,552	3,026	3,592	3,090	3,398	1,026	3,124	2,875
Non-operating profit and loss	52	-147	57	7	65	-13	34	-19	72	-133	-16	-118
Ordinary profit	204	581	2,241	2,497	2,618	3,012	3,626	3,071	3,470	893	3,108	2,756
Profit attributable to owners of parent	114	384	1,558	1,727	1,794	2,086	2,493	2,202	2,445	598	2,123	1,965

# Dividends/dividend payout ratio trends



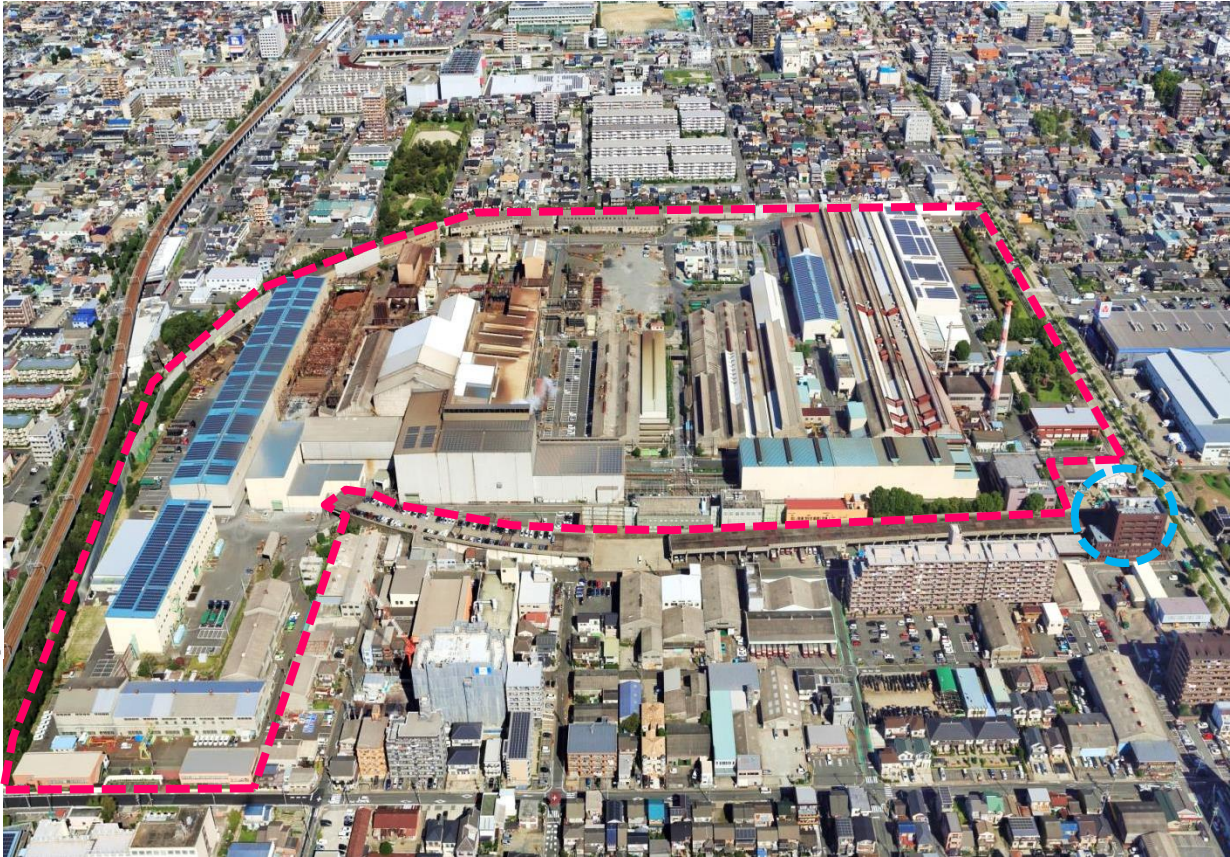
Dividends (left)	19	17	※1 30	18	43	※2 104	91	(101)
Payout ratio (right)	22.6	27.4	30.1	31.2	31.4	33.5	35.1	(44.8)

※1 Includes 70th anniversary commemorative dividend of 2 yen

※2 Includes 10 yen commemorative dividend for listing on TSE Prime Market

# Chubu Steel Plate Co.,Ltd is located in Nagoya City

Aichi Prefecture is the center of Japanese **manufacturing**  
Advantageous position for raw material procurement and product shipping



あついで未来を創ります  
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