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February 6, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)



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 Listing: Tokyo Stock Exchange
 Securities code: 8078
 URL: <https://www.hanwa.co.jp>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	1,965,480	2.4	41,472	(12.5)	36,438	(15.7)	25,669	(19.3)
December 31, 2024	1,919,583	5.1	47,394	11.6	43,205	0.6	31,794	3.4

Note: Comprehensive income For the nine months ended December 31, 2025: ¥ 32,000 million [17.6%]
 For the nine months ended December 31, 2024: ¥ 27,215 million [(32.7)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	644.32	-
December 31, 2024	786.75	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	1,145,680	405,309	34.9	10,177.82
March 31, 2025	1,165,805	389,470	32.9	9,485.64

Reference: Equity

As of December 31, 2025: ¥ 399,777 million
 As of March 31, 2025: ¥ 383,056 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	105.00	-	120.00	225.00
Fiscal year ending March 31, 2026	-	125.00	-		
Fiscal year ending March 31, 2026 (Forecast)				125.00	250.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,600,000	1.8	55,000	(10.6)	55,000	(7.9)	40,000	(12.1)	990.52

Note: Revisions to the financial result forecast most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 3 companies(HANWA EUROPE B.V. and 2 other companies)
 Excluded: 0 companies()

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement
 (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 (ii) Changes in accounting policies due to other reasons: None
 (iii) Changes in accounting estimates: None
 (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	
As of December 31, 2025	42,332,640 shares
As of March 31, 2025	42,332,640 shares
(ii) Number of treasury shares at the end of the period	
As of December 31, 2025	3,053,371 shares
As of March 31, 2025	1,949,904 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	
Nine months ended December 31, 2025	39,839,638 shares
Nine months ended December 31, 2024	40,411,999 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as financial forecasts, presented in this document are based on information available and certain assumptions the Company deemed to be reasonable at the time of publication, and the Company does not guarantee its future performance. Actual results may differ significantly due to various factors.

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1. Business Results

(1) Overview of Operating Results

(Business environment)

During the nine months of the consolidated fiscal year, the global economy remained highly uncertain due to factors such as developments in U.S. tariff policies, geopolitical risks centered on the Middle East and Ukraine, and shifts in monetary policy across major economies. In the United States, personal consumption slowed due to worsening employment conditions, while tariff hikes and a federal government shutdown also affected economic activity. In Europe, although U.S. tariff policies and other factors weighed on the economy, particularly in the manufacturing sector, the economy was supported by increased fiscal spending and an improvement in personal consumption. In China, although there were some signs of recovery backed by economic stimulus measures, a sluggish real estate market and waning appetite for capital investment continued to constrain the pace of economic recovery. Among other emerging economies, growth remained relatively firm, particularly in Southeast Asia, although U.S. tariff policies and other factors weighed on growth in some regions.

In the Japanese economy, while personal consumption remained relatively firm, the impact of developments in U.S. tariff policies led to a sense of stagnation, particularly in the manufacturing sector. In addition, developments in the Bank of Japan's monetary policy and in the new cabinet's policy agenda affected the Japanese economy through movements in foreign exchange rates, stock prices, and market interest rates.

(Overview of operating results)

In this business environment, during the nine months of this consolidated fiscal year, net sales increased by 2.4% YoY, to 1,965.4 billion yen, because transaction volume mainly represented by Primary Metal business and Overseas Sales Subsidiaries increased. Operating profit decreased by 12.5% YoY, to 41.4 billion yen, mainly due to the deterioration in the profitability of the Metal Recycling business and increased personnel expenses. Ordinary profit decreased by 15.7% YoY, to 36.4 billion yen and net profit attributable to owners of the parent decreased by 19.3% YoY, to 25.6 billion yen.

(Segment information)

From the third quarter of financial year, following the share transfer from the Company to a consolidated subsidiary, the segment classification of COSMO STEEL HOLDINGS LTD., which formerly used to be classified in the "Steel" segment, has now been changed to the "Overseas Sales Subsidiaries" segment.

Comparisons with the same period of the previous fiscal year have been made based on the new classification method.

Steel

Net sales decreased, because prices of steel products and transaction volume of steel plates decreased. On the other hand, segment profit increased, because business in the construction sector remained steady and profitability improved in some overseas subsidiaries. Net sales of this segment decreased by 7.6% YoY, to 806.8 billion yen, segment profit increased by 18.5% YoY, to 28.2 billion yen.

Primary Metal

Net sales increased, due to the steady sales of auxiliary materials. On the other hand, segment profit decreased, because

share of loss of entities accounted for using equity method from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD. increased. Net sales of this segment increased by 23.6% YoY, to 176.4 billion yen, segment profit decreased by 89.8% YoY, to 0.3 billion yen.

Metal Recycling

Net sales increased, because transaction volume of lead ores increased. On the other hand, segment profit decreased due to the recognition of loss on valuation of derivatives used to hedge inventory price fluctuation risk. Net sales of this segment increased by 10.1% YoY, to 196.7 billion yen, segment loss is 2.0 billion yen (segment profit of 2.9 billion yen was recorded in the nine months ended December 31, 2024).

Foods

Net sales and segment profit increased due to the sales growth to food service industry in an US subsidiary and the contribution from the newly included subsidiary. Net sales of this segment increased by 9.7% YoY, to 118.5 billion yen, segment profit increased by 48.5% YoY, to 3.3 billion yen.

Energy & Living Materials

Net sales and segment profit decreased, due to the sluggish crude oil prices and the deterioration in profitability of chemicals-related businesses. Net sales of this segment decreased by 1.7% YoY, to 279.4 billion yen, segment profit decreased by 25.4% YoY, to 5.6 billion yen.

Overseas Sales Subsidiaries

Net sales increased, due to the increase of scrap transaction to Southeast asia and the newly consolidation of companies. On the other hand, segment profit decreased due to the deterioration mainly in the profitability of steel products. Net sales of this segment increased by 18.3% YoY, to 381.2 billion yen, segment profit decreased by 32.3% YoY, to 4.1 billion yen.

Other

In housing materials section, net sales and section profit decreased, due to the deterioration in the profitability of European lumber. In machinery section, net sales and section profit increased, due to the increase of completion of the industrial machinery contracts compared to the same period of the previous fiscal year. Net sales of this segment decreased by 2.0% YoY, to 97.7 billion yen, segment profit decreased by 3.2% YoY, to 1.4 billion yen.

(2) Overview of Financial Position

Total assets decreased by 1.7% to 1,145.6 billion yen from the end of the previous fiscal year, mainly due to the decrease in cash and deposits and inventories.

Liabilities decreased by 4.6% to 740.3 billion yen from the end of the previous fiscal year, mainly due to the decrease in short-term borrowings and bonds payable. As interest-bearing debt decreased by 9.3% to 346.7 billion yen, net debt-equity ratio was turned into 76% (*66%).

Total net assets increased by 4.1% to 405.3 billion yen from the end of the previous fiscal year due to accumulation of retained earnings from net income attributable to owners of parent as well as the increase in valuation difference on available-for-sale securities. Equity-to-asset ratio rose to 34.9% (*37.1%), from 32.9% (*35.0%) at the end of the previous fiscal year.

※Reflecting equity credit attributes of the subordinated loan

(3) Explanation of Consolidated Financial Future Forecast

We have not changed our consolidated future forecast announced on May 9, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	65,313	43,015
Notes and accounts receivable - trade, and contract assets	415,339	415,271
Electronically recorded monetary claims - operating	92,458	94,396
Inventories	279,179	274,303
Other	53,195	56,330
Allowance for doubtful accounts	(1,781)	(1,791)
Total current assets	903,705	881,526
Non-current assets		
Property, plant and equipment		
Land	40,461	40,222
Other, net	49,483	47,155
Total property, plant and equipment	89,945	87,377
Intangible assets	10,094	9,744
Investments and other assets		
Investment securities	116,299	125,894
Other	47,835	42,953
Allowance for doubtful accounts	(2,074)	(1,816)
Total investments and other assets	162,060	167,031
Total non-current assets	262,100	264,153
Total assets	1,165,805	1,145,680

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	268,513	268,341
Electronically recorded obligations - operating	39,874	40,415
Short-term borrowings	81,120	50,594
Current portion of bonds payable	15,000	10,000
Income taxes payable	12,320	2,525
Provision for bonuses	5,497	2,784
Provision for product warranties	53	41
Other	39,291	49,577
Total current liabilities	461,670	424,280
Non-current liabilities		
Bonds payable	45,000	35,000
Long-term borrowings	236,520	246,449
Retirement benefit liability	1,759	2,630
Other	31,384	32,010
Total non-current liabilities	314,664	316,090
Total liabilities	776,335	740,371
Net assets		
Shareholders' equity		
Share capital	45,651	45,651
Capital surplus	1,384	1,441
Retained earnings	298,252	314,741
Treasury shares	(5,593)	(12,457)
Total shareholders' equity	339,695	349,376
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20,876	28,251
Deferred gains or losses on hedges	836	(144)
Revaluation reserve for land	1,941	1,941
Foreign currency translation adjustment	17,260	17,850
Remeasurements of defined benefit plans	2,446	2,502
Total accumulated other comprehensive income	43,360	50,401
Non-controlling interests	6,414	5,531
Total net assets	389,470	405,309
Total liabilities and net assets	1,165,805	1,145,680

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

For the Nine-Month Period

(Millions of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	1,919,583	1,965,480
Cost of sales	1,815,693	1,863,118
Gross profit	103,890	102,362
Selling, general and administrative expenses	56,495	60,890
Operating profit	47,394	41,472
Non-operating income		
Interest income	3,076	2,884
Dividend income	3,823	2,871
Other	1,302	1,501
Total non-operating income	8,202	7,256
Non-operating expenses		
Interest expenses	6,736	5,684
Share of loss of entities accounted for using equity method	224	2,693
Foreign exchange losses	2,895	2,237
Other	2,535	1,675
Total non-operating expenses	12,391	12,290
Ordinary profit	43,205	36,438
Extraordinary income		
Gain on sale of investment securities	1,774	123
Gain on sale of investments in capital of subsidiaries and associates	996	-
Total extraordinary income	2,770	123
Extraordinary losses		
Loss on sale of investment securities	-	197
Total extraordinary losses	-	197
Profit before income taxes	45,975	36,365
Income taxes	14,359	11,255
Profit	31,616	25,109
Profit attributable to		
Profit attributable to owners of parent	31,794	25,669
Loss attributable to non-controlling interests	(177)	(559)
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,864)	7,188
Deferred gains or losses on hedges	796	(981)
Foreign currency translation adjustment	(117)	1,245
Remeasurements of defined benefit plans, net of tax	122	89
Share of other comprehensive income of entities accounted for using equity method	(337)	(651)
Total other comprehensive income	(4,400)	6,890
Comprehensive income	27,215	32,000
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	27,154	32,709
Comprehensive income attributable to non-controlling interests	60	(709)

(3) Notes to Quarterly Consolidated Financial Statements

(Basis for preparation of quarterly consolidated financial statements)

The consolidated quarterly financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. and accounting standards generally accepted in Japan for quarterly financial statements (however, the omissions set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. have been applied).

(Application of particular accounting procedures for the quarterly consolidated financial statements)

Calculation of tax expenses

Income taxes are determined based on the amount of income before income taxes for the nine months ended December 31, 2025 multiplied by the effective tax rate, after application of tax-effect accounting, estimated for the entire fiscal year ending March 31, 2026. However, if using this estimated effective tax rate results in extremely unreasonable tax expenses, the statutory effective tax rate is used after adjusting net income (loss) before income taxes for material differences that are not temporary.

(Note to segment information)

① Segment information by business category for the nine months ended December 31, 2024 and 2025, is as follows:

Nine Months ended December 31, 2024 (Millions of yen)

	Reportable segments							Other Business	Total	Adjustment	Consolidated
	Steel	Primary Metal	Metal Recycling	Foods	Energy & Living Materials	Overseas Sales Subsidiaries	Subtotal				
Net sales											
Customers	840,124	132,912	171,119	106,585	278,454	293,368	1,822,564	97,018	1,919,583	—	1,919,583
Intersegment	33,246	9,873	7,503	1,449	5,888	28,850	86,812	2,681	89,493	(89,493)	—
Total	873,370	142,785	178,622	108,035	284,342	322,219	1,909,376	99,700	2,009,076	(89,493)	1,919,583
Segment profit	23,803	2,988	2,954	2,230	7,626	6,079	45,681	1,507	47,189	(3,984)	43,205

- Notes:
1. “Other business” represents businesses such as the housing materials section and machinery section which are not included in reportable segments.
 2. Adjustments of ¥(3,984) million for segment profit include intersegment elimination and Group costs that have not been distributed to reportable segments. These group costs consist mainly of expenses of administrative departments.
 3. Segment profit is adjusted between ordinary profit on the consolidated statements of income and comprehensive income.

Nine Months ended December 31, 2025 (Millions of yen)

	Reportable segments							Other Business	Total	Adjustment	Consolidated
	Steel	Primary Metal	Metal Recycling	Foods	Energy & Living Materials	Overseas Sales Subsidiaries	Subtotal				
Net sales											
Customers	779,671	163,369	194,393	117,393	276,264	339,344	1,870,436	95,044	1,965,480	—	1,965,480
Intersegment	27,133	13,055	2,325	1,153	3,173	41,877	88,718	2,673	91,391	(91,391)	—
Total	806,805	176,425	196,718	118,546	279,437	381,221	1,959,155	97,717	2,056,872	(91,391)	1,965,480
Segment profit(loss)	28,217	304	(2,051)	3,312	5,692	4,113	39,589	1,459	41,049	(4,610)	36,438

- Notes:
1. “Other business” represents businesses such as the housing materials section and machinery section which are not included in reportable segments.
 2. Adjustments of ¥(4,610) million for segment profit or loss include intersegment elimination and Group costs that have not been distributed to reportable segments. These group costs consist mainly of expenses of administrative departments.
 3. Segment profit or loss is adjusted between ordinary profit on the consolidated statements of income and comprehensive income.

② Matters concerning changes in reportable segments

(Changes in the classification method of reportable segments)

From the third quarter of financial year, following the share transfer from the Company to a consolidated subsidiary, the segment classification of COSMO STEEL HOLDINGS LTD., which formerly used to be classified in the “Steel” segment, has now been changed to the “Overseas Sales Subsidiaries” segment. Segment information for the nine months ended December 31, 2024 has been recomposed by the new classification method.

(Note to significant changes in shareholders' equity)

The Company has acquired 845,600 shares of treasury stock, based on the resolution of the Board of Directors meeting held on May 9, 2025. In addition, the Company has acquired 284,100 shares of treasury stock, based on the resolution of the Board of Directors meeting held on November 7, 2025. As a result of this acquisition, the amount of treasury stocks increased by 6,864 million yen, resulting in treasury stock of 12,457 million yen as of December 31, 2025.

(Note on going concern assumption)

None

(Note to statement of cash flows)

Quarterly consolidated statements of cash flows have not been prepared for the nine months ended December 31, 2025.

Depreciation and amortization of goodwill for the nine months ended December 31, 2024 and 2025 are as follows.

	For the nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)	For the nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025)
Depreciation	¥ 7,255 million	¥ 6,850 million
Amortization of goodwill	165	426

Highlights of Consolidated Financial Results for the Nine Months ended December 31, FY2025

(Japan GAAP)

HANWA Co., Ltd.

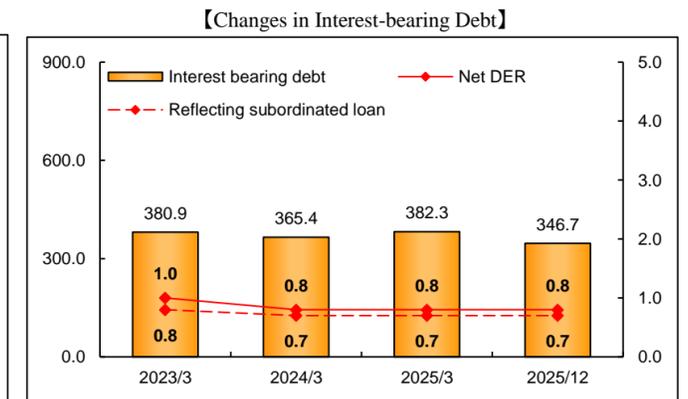
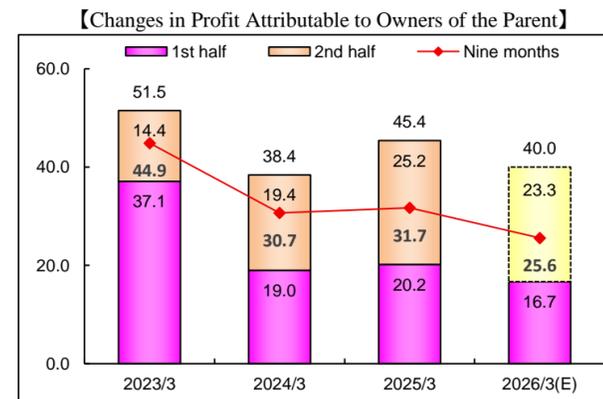
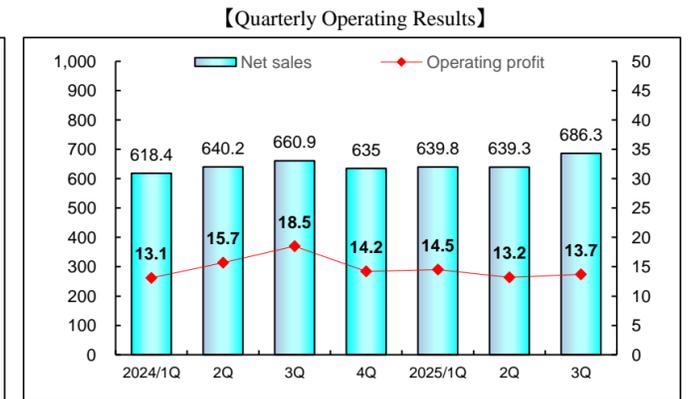
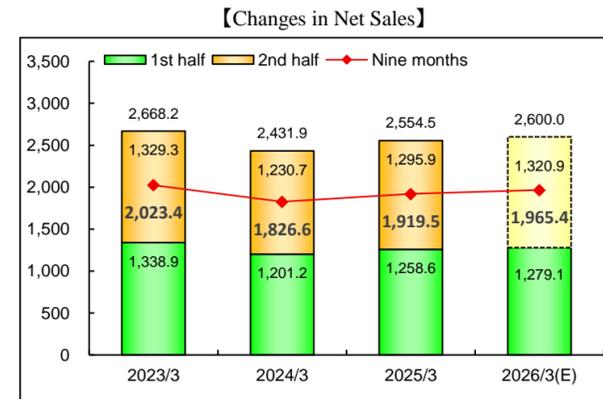
(Unit: billion yen, rounded down to 0.1 billions yen)

Outline of Financial Results for the Nine Months ended December 31, FY2025

• During the nine months of this consolidated fiscal year, net sales increased by 2% YoY, to 1,965.4 billion yen, because transaction volume mainly represented by Primary Metal business and Overseas Sales Subsidiaries increased. Operating profit decreased by 12% YoY, to 41.4 billion yen, mainly due to the deterioration in the profitability of the Metal Recycling business and increased personnel expenses. Ordinary profit decreased by 16% YoY, to 36.4 billion yen and net profit attributable to owners of the parent decreased by 19% YoY, to 25.6 billion yen.
 • We plan to pay 250 yen as the annual (125 yen as the interim and 125 yen as the year-end) dividend.

Operating Results	Nine months ended Dec. FY2024	Nine months ended Dec. FY2025	Y o Y		Main Factors
			Change	Rate	
Net sales	1,919.5	1,965.4	45.8	2%	(Net sales) Net sales increased by 2% YoY, to 1,965.4 billion yen, because transaction volume mainly represented by Primary Metal business and Overseas Sales Subsidiaries increased.
Gross profit	103.8	102.3	(1.5)	(1%)	
SG&A expenses	56.4	60.8	4.3	8%	(SG&A expenses) SG&A expenses increased by 4.3 billion yen YoY, with 1.0 billion yen of this figure deriving from newly consolidated subsidiaries. Cost of labor increased by 2.6 billion yen YoY, with 0.6 billion yen of this figure deriving from newly consolidated subsidiaries.
Operating profit	47.3	41.4	(5.9)	(12%)	
Non-operating income	8.2	7.2	(0.9)	(12%)	
Non-operating expenses	12.3	12.2	(0.1)	(1%)	
Ordinary profit	43.2	36.4	(6.7)	(16%)	(Non-operating income/expenses) Non-operating income decreased by 0.9 billion yen and non-operating expenses decreased by 0.1 billion yen. The main impacts on ordinary income were as follows. Dividend income : decrease of 0.9 billion yen YoY Interest expenses : decrease of 1.0 billion yen YoY Share of loss of entities accounted for using equity method : increased by 2.4 billion yen YoY Foreign exchange losses : decrease of 0.6 billion yen YoY
Extraordinary income	2.7	0.1	(2.6)	(96%)	
Extraordinary losses	—	0.1	0.1	—	(Extraordinary income/losses) Gain on sale of investment securities : decreased by 1.6 billion yen YoY Gain on sale of investments in capital of subsidiaries and associates : decreased by 0.9 billion yen YoY Loss on sale of investment securities : 0.1 billion yen
Profit before income taxes	45.9	36.3	(9.6)	(21%)	
Income taxes	14.3	11.2	(3.1)	(22%)	
Profit	31.6	25.1	(6.5)	(21%)	
Owners of the parent	31.7	25.6	(6.1)	(19%)	
Non-controlling interests	(0.1)	(0.5)	(0.3)	—	
EPS (yen)	786.75	644.32	(142.43)	(18%)	
Comprehensive income	27.2	32.0	4.7	18%	

Financial Position	Mar. 2025	Dec. 2025	Comparison with Mar. 2025		Main Factors
			Change	Rate	
Total assets	1,165.8	1,145.6	(20.1)	(2%)	(Total Assets) Total assets decreased by 2% from the end of the previous fiscal year, mainly due to the decrease in cash and deposits and inventories.
(Current assets)	903.7	881.5	(22.1)	(2%)	
(Fixed assets)	262.1	264.1	2.0	1%	
Total liabilities	776.3	740.3	(35.9)	(5%)	(Liabilities) Liabilities decreased by 5% from the end of the previous fiscal year, mainly due to the decrease in short-term borrowings and bonds payable. As interest-bearing debt decreased by 9%, net debt-equity ratio was turned into 76% (*66%).
(Interest-bearing debt)	382.3	346.7	(35.5)	(9%)	
(Net interest-bearing debt)	317.0	303.7	(13.2)	(4%)	
Net DER	83%/72*%	76%/66*%	(6pt)	—	
Total net assets	389.4	405.3	15.8	4%	(Net assets) Total net assets increased by 4% from the end of the previous fiscal year due to accumulation of retained earnings from net income attributable to owners of parent as well as the increase in valuation difference on available-for-sale securities. Equity-to-asset ratio was 34.9% (*37.1%), which is 2.0 points higher than at the end of the previous fiscal year.
(Shareholders' equity)	339.6	349.3	9.6	3%	
(Accumulated other comprehensive income)	43.3	50.4	7.0	16%	
(Non-controlling interests)	6.4	5.5	(0.8)	(14%)	
BPS (yen)	9,485.64	10,177.82	692.18	7%	
Equity capital	383.0	399.7	16.7	4%	
Equity ratio	32.9/35.0*%	34.9/37.1*%	2.0pt	—	*Reflecting equity credit attributes of the subordinated loan



Segment Information	Net sales			Segment profit			Main Factors
	Nine months ended Dec. FY2024	Nine months ended Dec. FY2025	Rate	Nine months ended Dec. FY2024	Nine months ended Dec. FY2025	Rate	
Steel	873.3	806.8	(8%)	23.8	28.2	19%	(Steel) Net sales decreased, because prices of steel products and transaction volume of steel plates decreased. On the other hand, segment profit increased, because business in the construction sector remained steady and profitability improved in some overseas subsidiaries.
Primary Metal	142.7	176.4	24%	2.9	0.3	(90%)	(Primary Metal) Net sales increased, due to the steady sales of auxiliary materials. On the other hand, segment profit decreased, because share of loss of entities accounted for using equity method from SAMANCOR CHROME HOLDINGS PROPRIETARY LTD. increased.
Metal Recycling	178.6	196.7	10%	2.9	(2.0)	—	(Metal Recycling) Net sales increased, because transaction volume of lead ores increased. On the other hand, segment profit decreased due to the recognition of loss on valuation of derivatives used to hedge inventory price fluctuation risk.
Foods	108.0	118.5	10%	2.2	3.3	49%	(Foods) Net sales and segment profit increased due to the sales growth to food service industry in an US subsidiary and the contribution from the newly included subsidiary.
Energy & Living Materials	284.3	279.4	(2%)	7.6	5.6	(25%)	(Energy & Living Materials) Net sales and segment profit decreased, due to the sluggish crude oil prices and the deterioration in profitability of chemicals-related businesses.
Overseas Sales Subsidiaries	322.2	381.2	18%	6.0	4.1	(32%)	(Overseas Sales Subsidiaries) Net sales increased, due to the increase of scrap transaction to Southeast asia and the newly consolidation of companies. On the other hand, segment profit decreased due to the deterioration mainly in the profitability of steel products.
Total for reportable segments	1,909.3	1,959.1	3%	45.6	39.5	(13%)	
Other	99.7	97.7	(2%)	1.5	1.4	(3%)	
Total	2,009.0	2,056.8	2%	47.1	41.0	(13%)	
Adjustment	(89.4)	(91.3)	2%	(3.9)	(4.6)	16%	
Consolidated	1,919.5	1,965.4	2%	43.2	36.4	(16%)	

Forecast (Annual)	FY2024	FY2025 (Estimated)	Change	Cash Dividends	FY2023	FY2024	FY2025 (Estimated)
Operating profit	61.5	55.0	(11%)	Year-end (yen)	100.00	120.00	125.00
Ordinary profit	59.7	55.0	(8%)	Annual (yen)	185.00	225.00	250.00
Profit attributable to owners of the parent	45.4	40.0	(12%)	DOE*	2.7%	3.0%	3.0%

*From the third quarter of financial year, following the share transfer from the Company to a consolidated subsidiary, the segment classification of COSMO STEEL HOLDINGS LTD., which formerly used to be classified in the "Steel" segment, has now been changed to the "Overseas Sales Subsidiaries" segment. Comparisons with the same period of the previous fiscal year have been made based on the new classification method.

Topics
 •Apr Acquired 100% of the shares of HKG TRADING CO., LTD., (formerly KANEMATSU TRADING CORP.) and made it as a subsidiary of the Company.
 Also, made 4 subsidiaries (KYOWA STEEL CO., LTD., EIWA METAL CO., LTD., KENKOSHA CO., LTD., KYOWA UNYU INC.) of this company as subsidiaries of the Company.

* DOE (Dividend on equity ratio) = Total dividend / Beginning total shareholders' equity