

# FY2025 Financial Results Report

◆ Steel demand remained sluggish both domestically and overseas, and the business environment was challenging due to factors including the impact of U.S. tariffs. However, through ongoing efficiency improvements and business restructuring, downside resilience has been strengthened, resulting in an increase in SCGM Group net profit of ¥ 0.9 billion year on year. In addition, contributions from the monopile manufacturing business began, and overseas railway projects performed steadily. As a result, management-based results increased by ¥ 12.2 billion year on year.

◆ Full-year forecast for FY2026 management-based results: ¥ 29.0 billion

	FY2024	FY2025	Increase/(Decrease)
SCGM Group Net Profit (Non-audited, Japanese Accounting Standards )	¥6.4billion	¥7.3billion	¥0.9billion
Management-based results※ ( Non-audited, International Accounting Standards )	¥16.2billion	<b>¥28.4billion</b>	¥12.2billion

※ "Management-based results" refers to the sum of the following four profits.

(1) Profits of SCGM (2) Profits of SCGM's affiliated companies

(3) Profits of companies affiliated with Sumitomo Corporation (the parent company of SCGM and hereinafter called "SC") which are, to be precise, under the Steel Products SBU of SC ("SC Steel Products SBU") and with which SCGM have no direct capital relationship (hereinafter called "SC's Affiliated Companies")

(4) Profits related to the steel products business of the SC Steel Products SBU and SC's global organizations (hereinafter collectively referred to as "SC Organizations").

The reason for including profits described in item (3) and (4) in "Management-based results" is because SCGM is currently involved in and supporting the operations of SC's Affiliated Companies (described in item (3)) and assisting the execution of the transactions related to the steel products business of SC Organizations (described in item (4)) through contractual relationships and joint strategic planning and promotion with SC.