

Flash Report Consolidated Basis  
Results for Fiscal 2021  
(April 1, 2021-March 31, 2022)  
<under Japanese GAAP>

April 27, 2022

**Company name:** OSAKA STEEL CO., LTD.  
**Stock listing:** Standard Market, Tokyo Stock Exchange  
**Code number:** 5449  
**URL:** <https://www.osaka-seitetsu.co.jp>  
**Representative:** Taisuke Nomura, PRESIDENT  
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(Figures of less than ¥1 million have been omitted.)

**1. Consolidated Financial and Operating Results for Fiscal 2021**  
(April 1, 2021-March 31, 2022)

**(1) Consolidated Operating Results**

(Percentage figures represent changes from the same period of the previous fiscal year.)

|                    | Net sales       |             | Operating profit |              | Ordinary profit |              | Profit attributable to owners of parent |              |
|--------------------|-----------------|-------------|------------------|--------------|-----------------|--------------|---|--------------|
|                    | Millions of yen | %           | Millions of yen  | %            | Millions of yen | %            | Millions of yen                         | %            |
| <b>Fiscal 2021</b> | <b>104,455</b>  | <b>36.4</b> | <b>3,863</b>     | <b>173.4</b> | <b>3,958</b>    | <b>203.4</b> | <b>2,567</b>                            | <b>186.0</b> |
| Fiscal 2020        | 76,601          | (16.4)      | 1,413            | (81.0)       | 1,304           | (80.7)       | 897                                     | (78.8)       |

(Reference) Comprehensive income  
Fiscal 2021 ¥ 3,065 million 233.9%  
Fiscal 2020 ¥ 918 million (73.7)%

|                    | Earnings per share | Earnings per share after full dilution | Return on equity | Return on assets | Return on sales |
|--------------------|--------------------|--|------------------|------------------|-----------------|
|                    | Yen                | Yen                                    | %                | %                | %               |
| <b>Fiscal 2021</b> | <b>65.96</b>       | —                                      | <b>1.7</b>       | <b>2.0</b>       | <b>3.7</b>      |
| Fiscal 2020        | 23.06              | —                                      | 0.6              | 0.7              | 1.8             |

(Reference) Equity in profit of unconsolidated subsidiaries and associates:  
Fiscal 2021 ¥— million  
Fiscal 2020 ¥— million

**(2) Consolidated Financial Results**

|                    | Total assets    | Net assets      | Ratio of shareholders' equity to total assets | Net assets per share |
|--------------------|-----------------|-----------------|---|----------------------|
|                    | Millions of yen | Millions of yen | %   | Yen                  |
| <b>Fiscal 2021</b> | <b>208,294</b>  | <b>151,028</b>  | <b>71.4</b>                                   | <b>3,819.41</b>      |
| Fiscal 2020        | 195,242         | 148,514         | 74.9  | 3,759.12             |

(Reference) Shareholders' equity:  
Fiscal 2021 ¥148,652 million  
Fiscal 2020 ¥146,307 million

### (3) Consolidated Statements of Cash Flows

|                    | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|--------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
|                    | Millions of yen                      | Millions of yen                      | Millions of yen                      | Millions of yen                            |
| <b>Fiscal 2021</b> | <b>2,934</b>                         | <b>(4,326)</b>                       | <b>821</b>                           | <b>62,396</b>                              |
| Fiscal 2020        | 4,187                                | (10,982)                             | (4,885)                              | 62,621                                     |

### 2. Dividends

|                        | Dividends per share  |                       |                      |                    |              |
|------------------------|----------------------|-----------------------|----------------------|--------------------|--------------|
|                        | End of first quarter | End of second quarter | End of third quarter | End of fiscal year | Total        |
|                        | Yen                  | Yen                   | Yen                  | Yen                | Yen          |
| Fiscal 2020            | —                    | 0.00                  | —                    | 7.00               | 7.00         |
| <b>Fiscal 2021</b>     | —                    | <b>7.00</b>           | —                    | <b>13.50</b>       | <b>20.50</b> |
| Fiscal 2022(Forecasts) | —                    | —                     | —                    | —                  | —            |

|                        | Cash dividends  | Ratio of cash dividends to net income | Ratio of cash dividends to net assets |
|------------------------|-----------------|---------------------------------------|---------------------------------------|
|                        | Millions of yen | %                                     | %                                     |
| Fiscal 2020            | 272             | 30.4                                  | 0.2                                   |
| <b>Fiscal 2021</b>     | <b>797</b>      | <b>31.1</b>                           | <b>0.5</b>                            |
| Fiscal 2022(Forecasts) | —               | —                                     | —                                     |

(Note) The dividend forecasts of end of second quarter and fiscal year for fiscal 2022 are not decided.

### 3. Consolidated Financial Forecasts for Fiscal 2022(April 1, 2022-March 31, 2023)

(Percentage figures represent changes from the same period of the previous fiscal year. )

|                           | Net sales       |      | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        | Earnings per share |
|---------------------------|-----------------|------|------------------|--------|-----------------|--------|---|--------|--------------------|
|                           | Millions of yen | %    | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %      | Yen                |
| First half of Fiscal 2022 | 65,000          | 37.6 | 2,300            | (15.9) | 2,200           | (14.8) | 1,450                                   | (16.6) | 37.26              |
| Fiscal 2022               | 140,000         | 34.0 | 5,200            | 34.6   | 5,000           | 26.3   | 3,500                                   | 36.3   | 89.93              |

**(Reference) Summary of Non-Consolidated Financial and Operating Results**  
**Non-Consolidated Financial and Operating Results for Fiscal 2021**  
**(April 1, 2021-March 31, 2022)**

**(1)Non-Consolidated Operating Results**

(Percentage figures represent changes from the same period of the previous fiscal year. )

|                    | Net sales          |             | Operating profit                       |             | Ordinary profit |             | Profit          |              |
|--------------------|--------------------|-------------|--|-------------|-----------------|-------------|-----------------|--------------|
|                    | Millions of yen    | %           | Millions of yen                        | %           | Millions of yen | %           | Millions of yen | %            |
| <b>Fiscal 2021</b> | <b>76,774</b>      | <b>46.5</b> | <b>2,327</b>                           | <b>45.1</b> | <b>2,606</b>    | <b>21.9</b> | <b>11,158</b>   | <b>510.6</b> |
| Fiscal 2020        | 52,392             | (10.9)      | 1,604                                  | (77.2)      | 2,137           | (68.3)      | 1,827           | —            |
|                    | Earnings per share |             | Earnings per share after full dilution |             |                 |             |                 |              |
|                    | Yen                |             | Yen                                    |             |                 |             |                 |              |
| <b>Fiscal 2021</b> | <b>286.71</b>      |             | <b>—</b>                               |             |                 |             |                 |              |
| Fiscal 2020        | 46.96              |             | —                                      |             |                 |             |                 |              |

**(2)Non-Consolidated Financial Results**

|                    | Total assets    | Net assets      | Ratio of shareholders' equity to total assets | Net assets per share |
|--------------------|-----------------|-----------------|---|----------------------|
|                    | Millions of yen | Millions of yen | %   | Yen                  |
| <b>Fiscal 2021</b> | <b>182,709</b>  | <b>136,317</b>  | <b>74.6</b>                                   | <b>3,502.49</b>      |
| Fiscal 2020        | 169,547         | 125,783         | 74.2  | 3,231.80             |

(Reference) Shareholders' equity: Fiscal 2021 ¥136,317 million  
Fiscal 2020 ¥125,783 million

## 1. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

|  | March 31, 2021 | March 31, 2022 |
|--|----------------|----------------|
| Millions of yen  |                |                |
| <b>Assets</b>  |                |                |
| Current assets   |                |                |
| Cash and deposits  | 4,002          | 4,997          |
| Notes and accounts receivable - trade                        | 19,019         | 23,082         |
| Finished goods   | 12,147         | 17,431         |
| Work in process  | 382            | 599            |
| Raw materials and supplies                                   | 6,480          | 7,470          |
| Accounts receivable - other                                  | 7,386          | 8,547          |
| Short-term loans receivable from subsidiaries and associates | 10,000         | 10,000         |
| Deposits paid  | 58,618         | 57,399         |
| Other  | 126            | 642            |
| Allowance for doubtful accounts                              | (135)          | (138)          |
| Total current assets   | <u>118,028</u> | <u>130,033</u> |
| Non-current assets   |                |                |
| Property, plant and equipment                                |                |                |
| Buildings and structures, net                                | 8,620          | 8,616          |
| Machinery, equipment and vehicles, net                       | 24,865         | 26,705         |
| Tools, furniture and fixtures, net                           | 2,048          | 2,199          |
| Land   | 35,348         | 36,627         |
| Construction in progress                                     | 4,220          | 2,483          |
| Total property, plant and equipment                          | <u>75,103</u>  | <u>76,632</u>  |
| Intangible assets  |                |                |
| Other  | 40             | 18             |
| Total intangible assets                                      | <u>40</u>      | <u>18</u>      |
| Investments and other assets                                 |                |                |
| Investment securities  | 745            | 563            |
| Long-term loans receivable                                   | 0              | 0              |
| Retirement benefit asset                                     | 365            | 400            |
| Deferred tax assets  | 235            | 78             |
| Other  | 723            | 567            |
| Allowance for doubtful accounts                              | —              | (0)            |
| Total investments and other assets                           | <u>2,070</u>   | <u>1,610</u>   |
| Total non-current assets                                     | <u>77,214</u>  | <u>78,261</u>  |
| Total assets   | <u>195,242</u> | <u>208,294</u> |

Millions of yen

|   | March 31, 2021 | March 31, 2022        |
|---|----------------|-----------------------|
| <b>Liabilities</b>                                    |                |                       |
| Current liabilities                                   |                |                       |
| Notes and accounts payable - trade                    | 14,384         | <b>19,538</b>         |
| Short-term borrowings                                 | 12,086         | <b>16,726</b>         |
| Current portion of long-term borrowings               | 2,975          | <b>3,306</b>          |
| Accounts payable - other                              | 4,705          | <b>4,406</b>          |
| Income taxes payable                                  | 320            | <b>1,001</b>          |
| Provision for repairs                                 | 566            | <b>601</b>            |
| Other   | 938            | <b>1,680</b>          |
| Total current liabilities                             | <u>35,978</u>  | <u><b>47,261</b></u>  |
| Non-current liabilities                               |                |                       |
| Long-term borrowings                                  | 7,084          | <b>6,143</b>          |
| Deferred tax liabilities                              | 1,629          | <b>1,495</b>          |
| Retirement benefit liability                          | 1,713          | <b>1,771</b>          |
| Provision for business restructuring                  | 223            | <b>223</b>            |
| Other   | 98             | <b>369</b>            |
| Total non-current liabilities                         | <u>10,749</u>  | <u><b>10,003</b></u>  |
| Total liabilities                                     | <u>46,727</u>  | <u><b>57,265</b></u>  |
| <b>Net assets</b>                                     |                |                       |
| Shareholders' equity                                  |                |                       |
| Share capital   | 8,769          | <b>8,769</b>          |
| Capital surplus                                       | 10,355         | <b>10,355</b>         |
| Retained earnings                                     | 131,337        | <b>133,359</b>        |
| Treasury shares                                       | (4,536)        | <b>(4,537)</b>        |
| Total shareholders' equity                            | <u>145,925</u> | <u><b>147,947</b></u> |
| Accumulated other comprehensive income                |                |                       |
| Valuation difference on available-for-sale securities | 303            | <b>221</b>            |
| Deferred gains or losses on hedges                    | (70)           | <b>89</b>             |
| Foreign currency translation adjustment               | (91)           | <b>147</b>            |
| Remeasurements of defined benefit plans               | 239            | <b>246</b>            |
| Total accumulated other comprehensive income          | <u>381</u>     | <u><b>704</b></u>     |
| Non-controlling interests                             | <u>2,207</u>   | <u><b>2,376</b></u>   |
| Total net assets                                      | <u>148,514</u> | <u><b>151,028</b></u> |
| Total liabilities and net assets                      | <u>195,242</u> | <u><b>208,294</b></u> |

**(2) Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income**  
**Consolidated Statements of Operations**

Millions of yen

|   | Fiscal 2020  | Fiscal 2021          |
|---|--------------|----------------------|
| Net sales   | 76,601       | <b>104,455</b>       |
| Cost of sales   | 68,487       | <b>94,165</b>        |
| Gross profit  | <u>8,114</u> | <u><b>10,290</b></u> |
| Selling, general and administrative expenses            |              |                      |
| Transportation costs                                    | 3,239        | <b>3,155</b>         |
| Salaries and bonuses                                    | 1,109        | <b>1,168</b>         |
| Retirement benefit expenses                             | 57           | <b>39</b>            |
| Depreciation  | 106          | <b>87</b>            |
| Other   | 2,187        | <b>1,976</b>         |
| Total selling, general and administrative expenses      | <u>6,701</u> | <u><b>6,426</b></u>  |
| Operating profit  | <u>1,413</u> | <u><b>3,863</b></u>  |
| Non-operating income                                    |              |                      |
| Interest income   | 178          | <b>169</b>           |
| Dividend income   | 34           | <b>30</b>            |
| Rental income from non-current assets                   | 420          | <b>412</b>           |
| Gain on sale of investment securities                   | —            | <b>100</b>           |
| Other   | 149          | <b>162</b>           |
| Total non-operating income                              | <u>783</u>   | <u><b>875</b></u>    |
| Non-operating expenses                                  |              |                      |
| Interest expenses                                       | 394          | <b>234</b>           |
| Loss on retirement of non-current assets                | 224          | <b>183</b>           |
| Taxes and dues  | 79           | <b>79</b>            |
| Foreign exchange losses                                 | 88           | <b>134</b>           |
| Other   | 104          | <b>148</b>           |
| Total non-operating expenses                            | <u>891</u>   | <u><b>781</b></u>    |
| Ordinary profit   | <u>1,304</u> | <u><b>3,958</b></u>  |
| Extraordinary income                                    |              |                      |
| Gain on sale of investment securities                   | 248          | —                    |
| Total extraordinary income                              | <u>248</u>   | <u>—</u>             |
| Extraordinary losses                                    |              |                      |
| Extra retirement payments                               | —            | <b>61</b>            |
| Total extraordinary losses                              | <u>—</u>     | <u><b>61</b></u>     |
| Profit before income taxes                              | <u>1,552</u> | <u><b>3,896</b></u>  |
| Income taxes - current                                  | 619          | <b>1,172</b>         |
| Income taxes - deferred                                 | 288          | <b>46</b>            |
| Total income taxes                                      | <u>907</u>   | <u><b>1,218</b></u>  |
| Profit  | <u>645</u>   | <u><b>2,677</b></u>  |
| Profit (loss) attributable to non-controlling interests | <u>(252)</u> | <u><b>110</b></u>    |
| Profit attributable to owners of parent                 | <u>897</u>   | <u><b>2,567</b></u>  |

**Consolidated Statements of Comprehensive Income**

Millions of yen

|  | Fiscal 2020 | Fiscal 2021         |
|--|-------------|---------------------|
| Profit   | 645         | <b>2,677</b>        |
| Other comprehensive income                                     |             |                     |
| Valuation difference on available-for-sale securities          | 2           | <b>(82)</b>         |
| Deferred gains or losses on hedges                             | (123)       | <b>185</b>          |
| Foreign currency translation adjustment                        | (23)        | <b>277</b>          |
| Remeasurements of defined benefit plans, net of tax            | 416         | <b>7</b>            |
| Total other comprehensive income                               | <u>272</u>  | <u><b>388</b></u>   |
| Comprehensive income   | <u>918</u>  | <u><b>3,065</b></u> |
| Comprehensive income attributable to                           |             |                     |
| Comprehensive income attributable to owners of parent          | 1,197       | <b>2,890</b>        |
| Comprehensive income attributable to non-controlling interests | (279)       | <b>175</b>          |

## (3) Consolidated Statements of Changes in Net Assets

Fiscal 2020

Millions of yen

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 8,769                | 10,904          | 131,218           | (4,536)         | 146,355                    |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (778)             |                 | (778)                      |
| Profit attributable to owners of parent              |                      |                 | 897               |                 | 897                        |
| Purchase of treasury shares                          |                      |                 |                   | (0)             | (0)                        |
| Disposal of treasury shares                          |                      |                 | (0)               | 0               | 0                          |
| Purchase of shares of consolidated subsidiaries      |                      | (548)           |                   |                 | (548)                      |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | —                    | (548)           | 119               | 0               | (429)                      |
| Balance at end of period                             | 8,769                | 10,355          | 131,337           | (4,536)         | 145,925                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of period                       | 300   | 24                                 | (56)                                    | (186)                                   | 81   | 1,957                     | 148,394          |
| Changes during period                                |   |                                    |   |   |  |                           |                  |
| Dividends of surplus                                 |   |                                    |   |   |  |                           | (778)            |
| Profit attributable to owners of parent              |   |                                    |   |   |  |                           | 897              |
| Purchase of treasury shares                          |   |                                    |   |   |  |                           | (0)              |
| Disposal of treasury shares                          |   |                                    |   |   |  |                           | 0                |
| Purchase of shares of consolidated subsidiaries      |   |                                    |   |   |  |                           | (548)            |
| Net changes in items other than shareholders' equity | 2   | (94)                               | (34)                                    | 425                                     | 299  | 249                       | 549              |
| Total changes during period                          | 2   | (94)                               | (34)                                    | 425                                     | 299  | 249                       | 119              |
| Balance at end of period                             | 303   | (70)                               | (91)                                    | 239                                     | 381  | 2,207                     | 148,514          |



Fiscal 2021

Millions of yen

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 8,769                | 10,355          | 131,337           | (4,536)         | 145,925                    |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (544)             |                 | (544)                      |
| Profit attributable to owners of parent              |                      |                 | 2,567             |                 | 2,567                      |
| Purchase of treasury shares                          |                      |                 |                   | (0)             | (0)                        |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | —                    | —               | 2,022             | (0)             | 2,021                      |
| Balance at end of period                             | 8,769                | 10,355          | 133,359           | (4,537)         | 147,947                    |

|  | Accumulated other comprehensive income                |                                    |   |   |  | Non-controlling interests | Total net assets |
|--|---|------------------------------------|---|---|--|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income |                           |                  |
| Balance at beginning of period                       | 303   | (70)                               | (91)                                    | 239                                     | 381  | 2,207                     | 148,514          |
| Changes during period                                |   |                                    |   |   |  |                           |                  |
| Dividends of surplus                                 |   |                                    |   |   |  |                           | (544)            |
| Profit attributable to owners of parent              |   |                                    |   |   |  |                           | 2,567            |
| Purchase of treasury shares                          |   |                                    |   |   |  |                           | (0)              |
| Net changes in items other than shareholders' equity | (82)  | 159                                | 238                                     | 7                                       | 323  | 169                       | 492              |
| Total changes during period                          | (82)  | 159                                | 238                                     | 7                                       | 323  | 169                       | 2,514            |
| Balance at end of period                             | 221   | 89                                 | 147                                     | 246                                     | 704  | 2,376                     | 151,028          |

**(4) Consolidated Statements of Cash Flows**

Millions of yen

|   | Fiscal 2020 | Fiscal 2021 |
|---|-------------|-------------|
| Cash flows from operating activities                            |             |             |
| Profit before income taxes                                      | 1,552       | 3,896       |
| Depreciation  | 3,610       | 4,125       |
| Increase (decrease) in allowance for doubtful accounts          | 140         | (10)        |
| Increase (decrease) in provision for repairs                    | (73)        | 34          |
| Increase (decrease) in provision for business restructuring     | (13)        | —           |
| Interest and dividend income                                    | (212)       | (200)       |
| Interest expenses   | 394         | 234         |
| Loss on retirement of non-current assets                        | 224         | 183         |
| Loss (gain) on sale of non-current assets                       | 1           | (40)        |
| Loss (gain) on sale of investment securities                    | (248)       | (100)       |
| Decrease (increase) in trade receivables                        | 49          | (3,433)     |
| Decrease (increase) in inventories                              | (1,695)     | (5,862)     |
| Decrease (increase) in accounts receivable - other              | (523)       | (1,256)     |
| Increase (decrease) in trade payables                           | 3,183       | 4,675       |
| Increase (decrease) in retirement benefit liability             | (263)       | 55          |
| Decrease (increase) in retirement benefit asset                 | (285)       | (35)        |
| Increase (decrease) in accrued consumption taxes                | (473)       | 585         |
| Other, net  | 182         | 496         |
| Subtotal  | 5,550       | 3,347       |
| Interest and dividends received                                 | 212         | 200         |
| Interest paid   | (430)       | (219)       |
| Subsidies received  | 942         | 11          |
| Income taxes paid   | (2,089)     | (405)       |
| Net cash provided by (used in) operating activities             | 4,187       | 2,934       |
| Cash flows from investing activities                            |             |             |
| Proceeds from sale of non-current assets                        | 1           | 49          |
| Purchase of non-current assets                                  | (11,341)    | (4,559)     |
| Proceeds from sale of investment securities                     | 372         | 163         |
| Collection of loans receivable from subsidiaries and affiliates | 10,000      | 10,000      |
| Loan advances to subsidiaries and associates                    | (10,000)    | (10,000)    |
| Other proceeds  | 18          | 19          |
| Other payments  | (33)        | (0)         |
| Net cash provided by (used in) investing activities             | (10,982)    | (4,326)     |
| Cash flows from financing activities                            |             |             |
| Net increase (decrease) in short-term borrowings                | (2,239)     | 3,075       |
| Proceeds from long-term borrowings                              | 1,226       | 1,442       |
| Repayments of long-term borrowings                              | (3,074)     | (3,145)     |
| Proceeds from sale of treasury shares                           | 0           | —           |
| Purchase of treasury shares                                     | (0)         | (0)         |
| Dividends paid  | (778)       | (544)       |
| Dividends paid to non-controlling interests                     | (20)        | (6)         |
| Net cash provided by (used in) financing activities             | (4,885)     | 821         |
| Effect of exchange rate change on cash and cash equivalents     | (130)       | 346         |
| Net increase (decrease) in cash and cash equivalents            | (11,811)    | (224)       |
| Cash and cash equivalents at beginning of period                | 74,432      | 62,621      |
| Cash and cash equivalents at end of period                      | 62,621      | 62,396      |