

Flash Report Consolidated Basis  
Results for the First Quarter of Fiscal 2020  
(April 1, 2020-June 30, 2020)  
<under Japanese GAAP>

July 30, 2020

**Company name:** OSAKA STEEL CO., LTD.  
**Stock listing:** Tokyo, 1st section  
**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 the First Quarter of Fiscal 2020**  
(April 1, 2020-June 30, 2020)

**(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>First quarter of Fiscal 2020</b>	<b>20,154</b>	<b>(19.3)</b>	<b>740</b>	<b>(67.7)</b>	<b>(371)</b>	—	<b>(438)</b>	—
First quarter of Fiscal 2019	24,990	7.1	2,291	(14.2)	2,371	(10.6)	1,597	(8.0)

(Reference) Comprehensive income: First quarter of Fiscal 2020 ¥(813) million — %  
 First quarter of Fiscal 2019 ¥1,476 million 8.5 %

	Earnings per share	Earnings per share after full dilution
	Yen	Yen
<b>First quarter of Fiscal 2020</b>	<b>(11.27)</b>	—
First quarter of Fiscal 2019	41.04	—

**(2) Consolidated Financial Results**

	Total assets	Net assets	Ratio of shareholders' equity to total assets
	Millions of yen	Millions of yen	%
<b>First quarter of Fiscal 2020</b>	<b>201,243</b>	<b>146,782</b>	<b>72.1</b>
Fiscal 2019	200,794	148,394	72.9

(Reference) Shareholders' equity: First quarter of Fiscal 2020 ¥145,175 million  
 Fiscal 2019 ¥146,437 million

## 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 2019	—	12.50	—	20.00	32.50
<b>Fiscal 2020</b>	—				
<b>Fiscal 2020(Forecasts)</b>		<b>0.00</b>	—	—	—

(Note) Whether the dividend forecasts under review have been revised : Yes

The dividend forecasts of end of fiscal year for fiscal 2020 are not decided.

## 3. Consolidated Financial Forecasts for Fiscal 2020(April 1, 2020-March 31, 2021)

	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 2020	36,000	(22.4)	500	(87.7)	0	(100.0)	0	(100.0)	0.00
Fiscal 2020	—	—	—	—	—	—	—	—	—

(Note) Whether the consolidated financial forecasts for fiscal 2020 under review have been revised : Yes

Forecasts of future performance in this report are based on information available at the date of publication for this document and certain assumptions regarding factors that may influence future results at the date of publication. Actual results may vary significantly from these forecasts due to a wide range of factors.

The consolidated financial forecast for the March 2021 full-year term has not been determined yet, because it is not possible at this stage to reasonably calculate the impact of the novel coronavirus pandemic. The Company will disclose a reasonable forecast as soon as it becomes possible.

## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

	March 31, 2020	June 30, 2020
Millions of yen		
<b>Assets</b>		
Current assets		
Cash and deposits	4,487	6,434
Notes and accounts receivable - trade	19,390	17,342
Finished goods	11,049	11,939
Work in process	268	430
Raw materials and supplies	6,265	5,817
Accounts receivable - other	6,755	6,493
Short-term loans receivable from subsidiaries and associates	10,000	10,000
Deposits paid	69,945	69,394
Other	174	206
Total current assets	<u>128,335</u>	<u>128,057</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,736	8,523
Machinery, equipment and vehicles, net	21,428	21,521
Tools, furniture and fixtures, net	1,774	1,816
Land	35,540	35,517
Construction in progress	3,794	3,724
Total property, plant and equipment	<u>70,273</u>	<u>71,102</u>
Intangible assets		
Other	99	84
Total intangible assets	<u>99</u>	<u>84</u>
Investments and other assets		
Investment securities	864	882
Long-term loans receivable	1	1
Retirement benefit asset	80	75
Deferred tax assets	284	254
Other	856	784
Total investments and other assets	<u>2,086</u>	<u>1,998</u>
Total non-current assets	<u>72,459</u>	<u>73,185</u>
Total assets	<u>200,794</u>	<u>201,243</u>

	Millions of yen	
	March 31, 2020	June 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	11,421	12,423
Short-term borrowings	14,790	16,977
Current portion of long-term borrowings	3,149	3,128
Accounts payable - other	5,263	5,753
Income taxes payable	1,740	196
Provision for repairs	640	723
Other	2,182	1,832
Total current liabilities	<u>39,189</u>	<u>41,035</u>
Non-current liabilities		
Long-term borrowings	9,449	9,386
Deferred tax liabilities	1,217	1,354
Retirement benefit liability	1,978	2,033
Provision for business restructuring	236	237
Other	329	413
Total non-current liabilities	<u>13,211</u>	<u>13,424</u>
Total liabilities	<u>52,400</u>	<u>54,460</u>
<b>Net assets</b>		
Shareholders' equity		
Share capital	8,769	8,769
Capital surplus	10,904	10,904
Retained earnings	131,218	130,000
Treasury shares	(4,536)	(4,536)
Total shareholders' equity	<u>146,355</u>	<u>145,138</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	300	313
Deferred gains or losses on hedges	24	(49)
Foreign currency translation adjustment	(56)	(53)
Remeasurements of defined benefit plans	(186)	(172)
Total accumulated other comprehensive income	<u>81</u>	<u>37</u>
Non-controlling interests	<u>1,957</u>	<u>1,607</u>
Total net assets	<u>148,394</u>	<u>146,782</u>
Total liabilities and net assets	<u>200,794</u>	<u>201,243</u>

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

**Quarterly Consolidated Statements of Operations**

Millions of yen

	First quarter of fiscal 2019	First quarter of fiscal 2020
Net sales	24,990	20,154
Cost of sales	20,928	17,783
Gross profit	4,061	2,371
Selling, general and administrative expenses		
Transportation costs	926	844
Salaries and bonuses	284	290
Retirement benefit expenses	12	15
Depreciation	26	25
Other	519	455
Total selling, general and administrative expenses	1,770	1,631
Operating profit	2,291	740
Non-operating income		
Interest income	40	46
Dividend income	21	18
Rental income from non-current assets	103	104
Foreign exchange gains	111	—
Other	29	46
Total non-operating income	306	215
Non-operating expenses		
Interest expenses	158	137
Loss on retirement of non-current assets	29	48
Taxes and dues	19	19
Foreign exchange losses	—	1,105
Other	18	16
Total non-operating expenses	225	1,328
Ordinary profit (loss)	2,371	(371)
Profit (loss) before income taxes	2,371	(371)
Income taxes - current	571	193
Income taxes - deferred	234	186
Total income taxes	805	379
Profit (loss)	1,565	(751)
Loss attributable to non-controlling interests	(31)	(312)
Profit (loss) attributable to owners of parent	1,597	(438)

## Quarterly Consolidated Statements of Comprehensive Income

Millions of yen

	First quarter of fiscal 2019	First quarter of fiscal 2020
Profit (loss)	1,565	(751)
Other comprehensive income		
Valuation difference on available-for-sale securities	(62)	12
Deferred gains or losses on hedges	(38)	(92)
Foreign currency translation adjustment	(2)	3
Remeasurements of defined benefit plans, net of tax	14	13
Total other comprehensive income	(89)	(61)
Comprehensive income	1,476	(813)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,515	(482)
Comprehensive income attributable to non-controlling interests	(39)	(330)