

Financial Results for FY2022

(June 1, 2021 – May 31, 2022)

July 12, 2022

 **SankyoTateyama, Inc.**

✓ In FY2022, sales increased while operating income decreased YoY

◆ Net sales increased in all businesses, totaling approx. 39.3 billion JPY

- Sales volume increased due to continuing market recovery from the COVID-19 pandemic in Japan and overseas. Sales linked to the aluminum ingot market increased (Materials and Global Business).

◆ Operating income decreased approx. 0.7 billion JPY

- Price revisions were promoted in Construction Materials and other businesses, but could not offset the soaring prices of materials (aluminum ingots, electricity, fuels, steel materials, etc.) and the impact of actualized geopolitical risks and the rapid fluctuations in foreign exchange rates.

◆ Year-end dividend remained unchanged (5 JPY per share projected)

- No revision from the forecast made in 2Q in consideration of the continuous dividend policy and financial position.

✓ FY2023 Forecast

◆ Net sales 375.0 billion JPY and operating income of 5.0 billion JPY

- Net sales will increase with the progress of price revisions and increased sales volumes in the automotive segment, as well as an increase linked to the aluminum ingot market.
- Operating income will recover with the reforms of the Global Business in addition to cost reduction and the progress of price revisions.

◆ Annual dividend is expected to be 20 JPY per share (15 JPY in the previous fiscal year)

- In view of the expected recovery of earnings this fiscal year, a 5 JPY per share increase in the dividend is projected.

✓ Comparison of the FY2023 Forecast and the Medium-Term Management Plan

◆ Net sales of FY2023 significantly surpass compared to the Medium-Term Management Plan (+52.0 billion JPY)

- The assumptions in the Medium-Term Management Plan have drastically changed (soaring ingot prices, fluctuation of foreign exchange rates, price revisions, etc.).

◆ Operating income will be 1.0 billion JPY less than the Medium-Term Management Plan.

- The prices of various materials will become much higher than what was assumed in the Medium-Term Management Plan.

Despite efforts to reduce costs and revise prices, shortfalls are forecast for this fiscal year.

- In FY2024, the final year of the Medium-Term Management Plan, the target of 9.0 billion JPY will be achieved supported by the measures to improve revenue.

Financial results

(Billion JPY)

	FY2022 Results	FY2021 Results	Year-on-year Change *1		FY2022 Plan	Change from Plan		4Q FY2022 3 months Results	Quarter-on-quarter Change	
				%			%			%
Net sales	340.5	301.1	39.3	13.1%	320.0	20.5	6.4%	89.9	6.6	7.9%
Operating income	3.7	4.5	-0.7	-17.2%	3.9	-0.1	-3.0%	1.0	-0.9	-45.3%
Operating margin	1.1%	1.5%		-0.4p	1.2%		-0.1p	1.2%		-1.2p
Ordinary income	4.1	5.2	-1.0	-20.0%	3.1	1.0	35.4%	1.5	-0.5	-24.1%
Net income attributable to owners of parent	0.3	1.6	-1.2	-76.5%	4.0	0.0	-1.1%	0.0	-5.0	-81.7%

Note: Amounts are rounded down to the nearest 100 million JPY.

(*1) "Accounting Standard for Revenue Recognition" etc. has been applied since FY2022, and the year-on-year comparison is shown as a reference value.

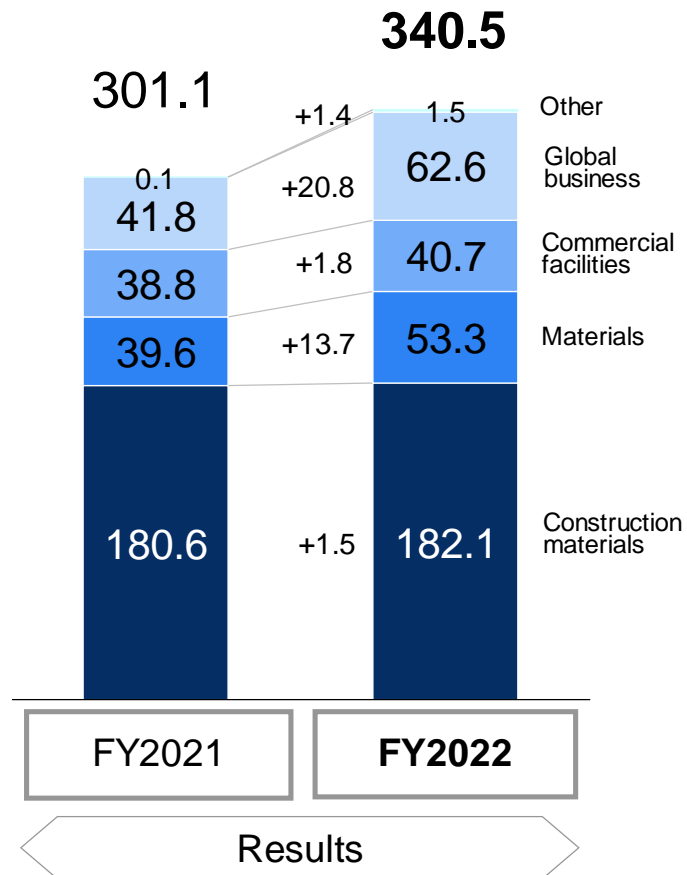
Dividend

Interim: 10 JPY per share(paid), Year-end: 5 JPY per share(plan)

Net sales

340.5 billion JPY

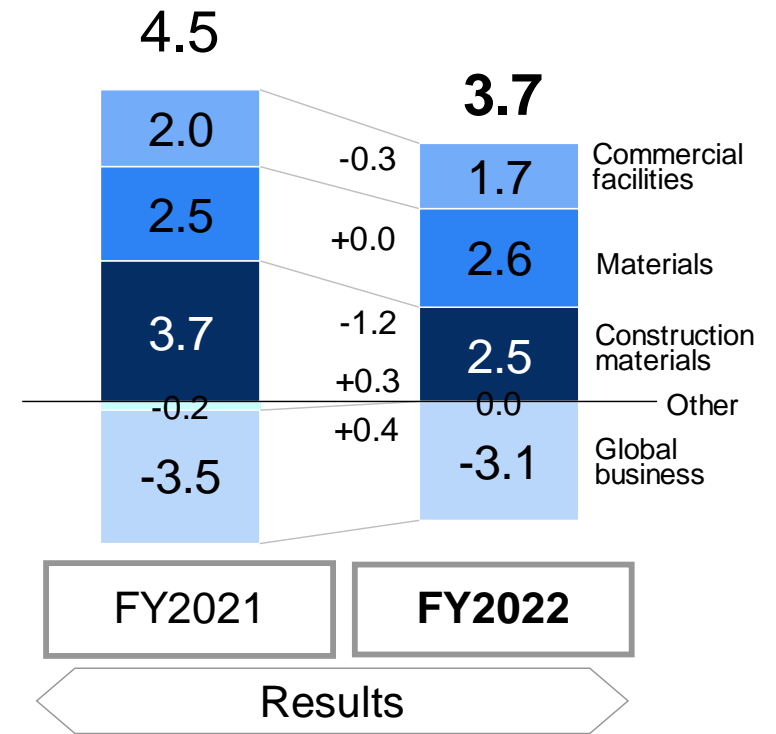
Change YoY **+39.3** billion JPY
(+13.1%)



Operating income

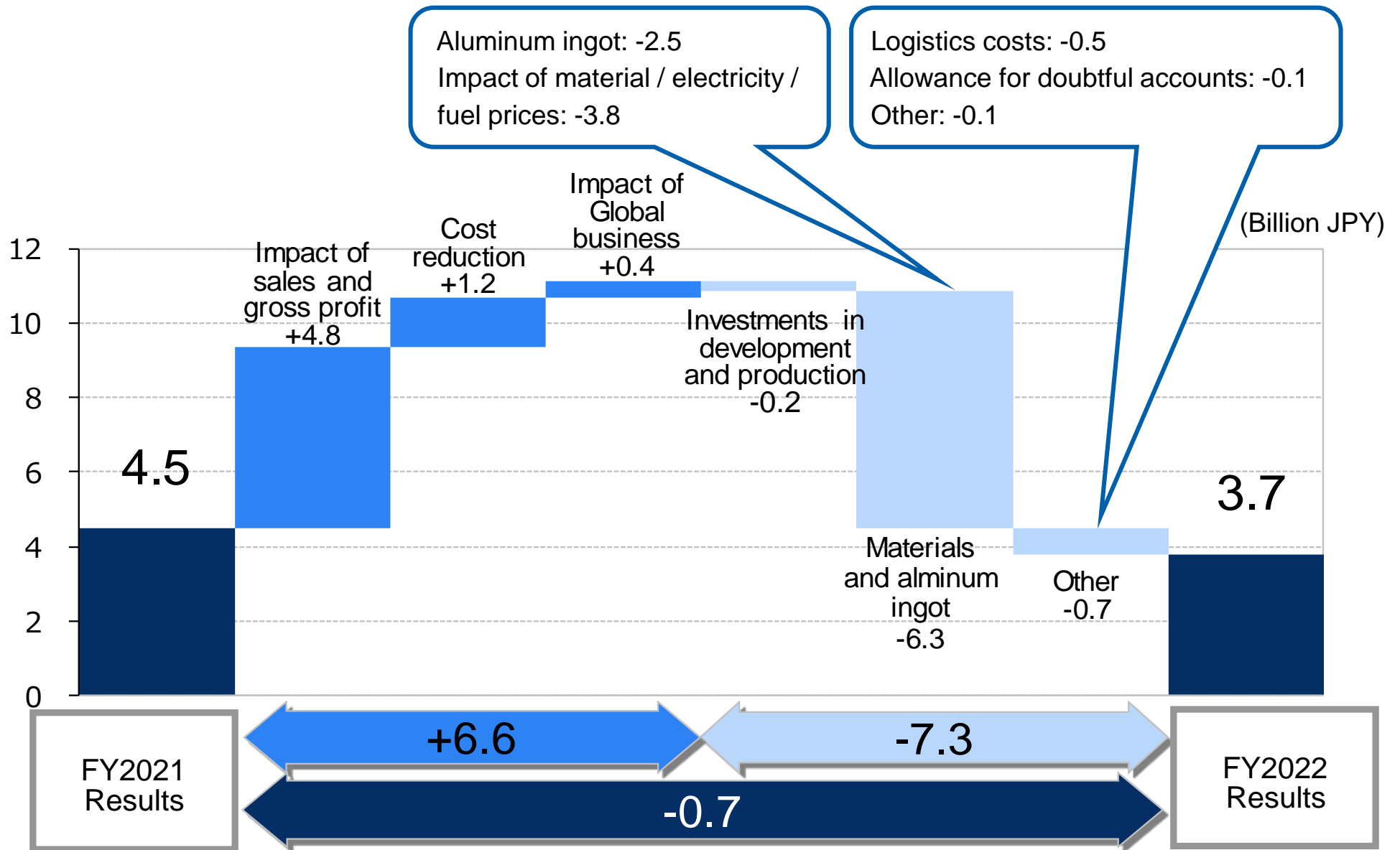
3.7 billion JPY

Change YoY **-0.7** billion JPY
(-17.2%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors for Change in Operating Income for FY2022: Year-on-Year Comparison



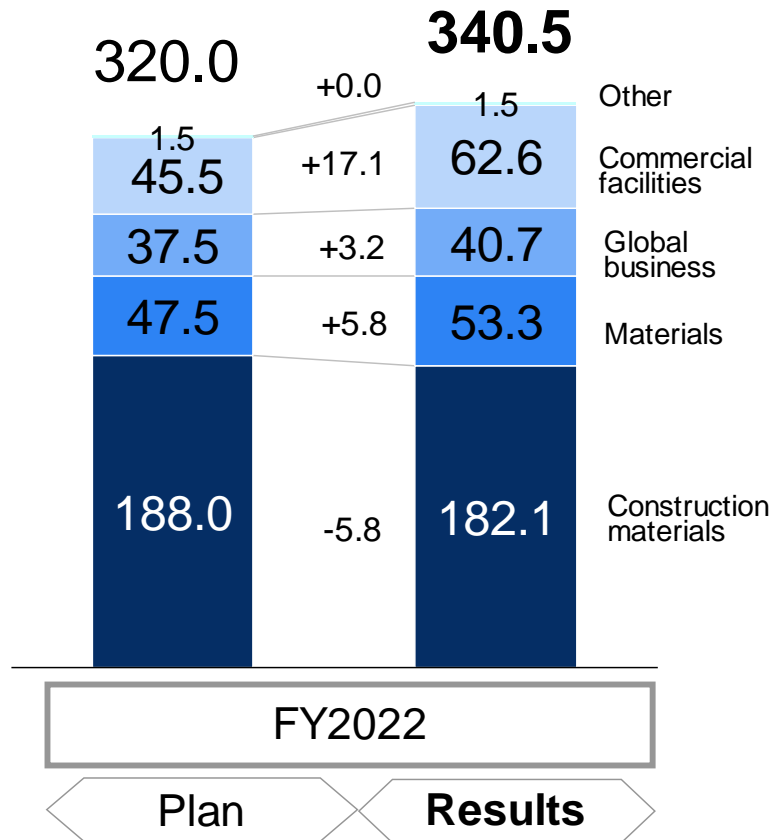
Change in profits from Global business is consolidated into "Impact of Global business."

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

340.5 billion JPY

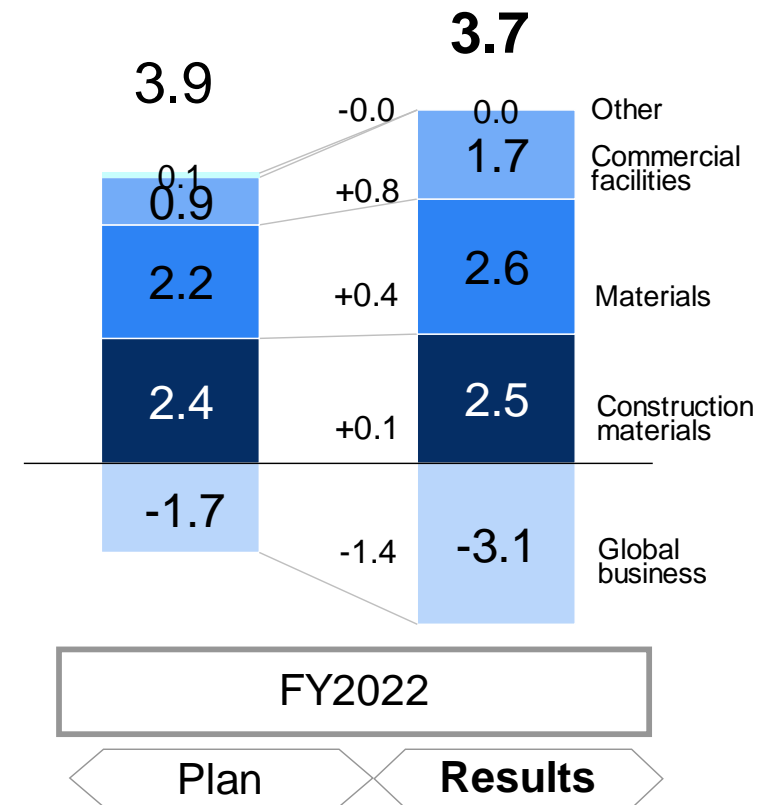
Change from Plan **+20.5** billion JPY
(+6.4%)



Operating income

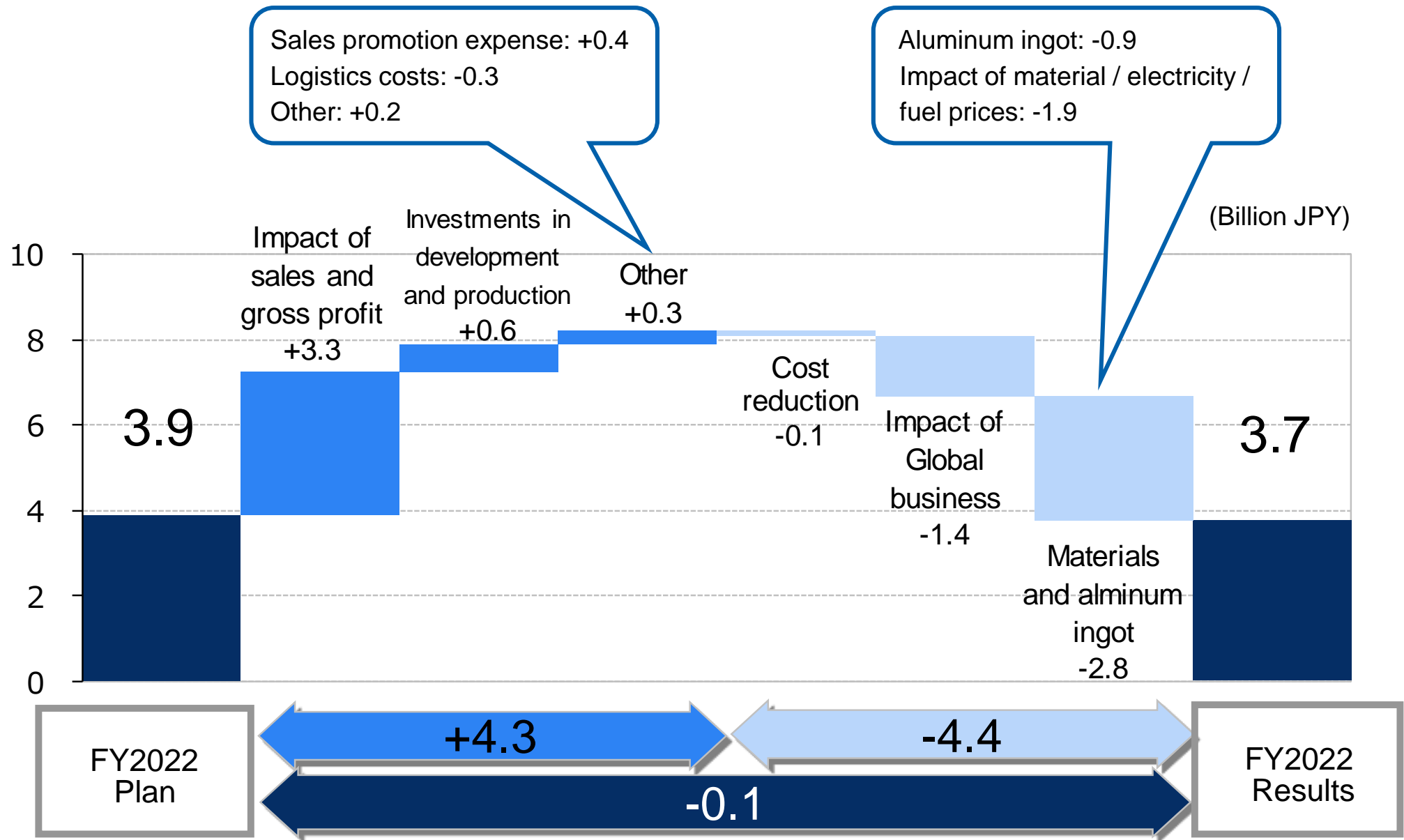
3.7 billion JPY

Change from Plan **-0.1** billion JPY
(-3.0%)



Note: Amounts are rounded down to the nearest 100 million JPY.

Factors for Change in Operating Income for FY2022: Comparison with Plan



Change in profits from Global business is consolidated into "Impact of Global business."

Note: Amounts are rounded down to the nearest 100 million JPY.

FY2023 Forecast

1st half FY2023 Forecast

(Billion JPY)

	1st half FY2023	1st half FY2022	Change	%
	Forecast	Results		
Net sales	184.0	165.0	18.9	11.5%
Operating income	2.1	3.0	-0.9	-30.8%
Operating margin	1.1%	1.8%		-0.7p
Ordinary income	2.0	2.7	-0.7	-28.4%
Net income attributable to owners of the parent	0.9	0.9	0.0	-7.8%

Full-Year Forecast

(Billion JPY)

	FY2023	FY2022	Change	%	FY2023	Change	%
	Forecast	Results			Medium-Term Management Plan		
Net sales	375.0	340.5	34.4	10.1%	323.0	52.0	16.1%
Operating income	5.0	3.7	1.2	32.2%	6.0	-1.0	-16.7%
Operating margin	1.3%	1.1%		+0.2p	1.9%		-0.5p
Ordinary income	4.7	4.1	0.5	11.9%	-	-	-
Net income attributable to owners of the parent	2.5	0.3	2.1	-	-	-	-

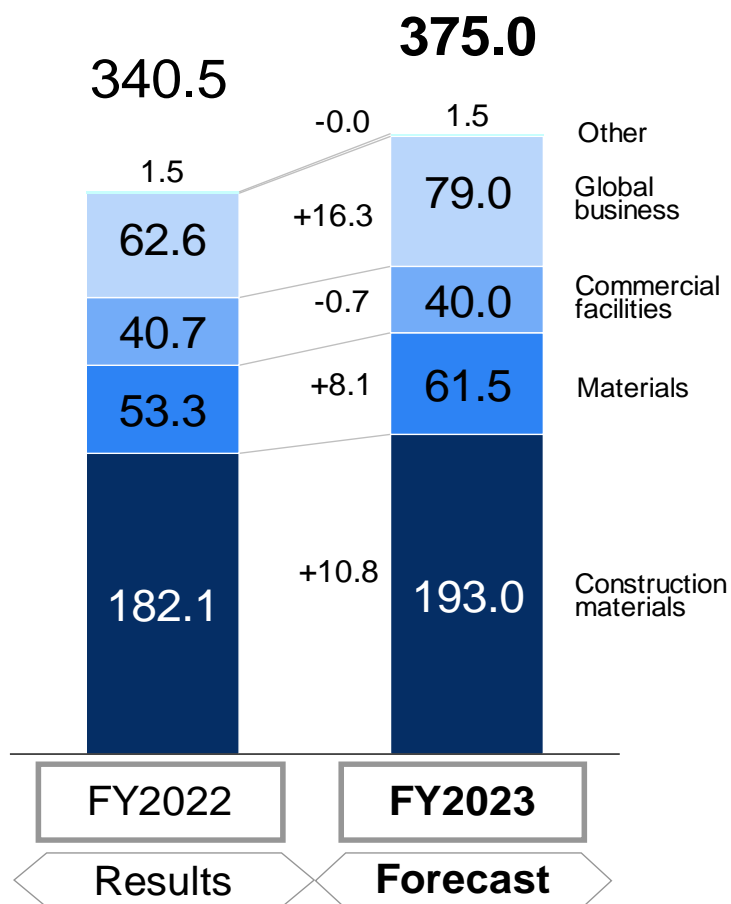
Note: Amounts are rounded down to the nearest 100 million JPY.

Dividend

Expect an annual dividend of 20JPY per share
(Interim: 10 JPY per share, Year-end: 10 JPY per share)

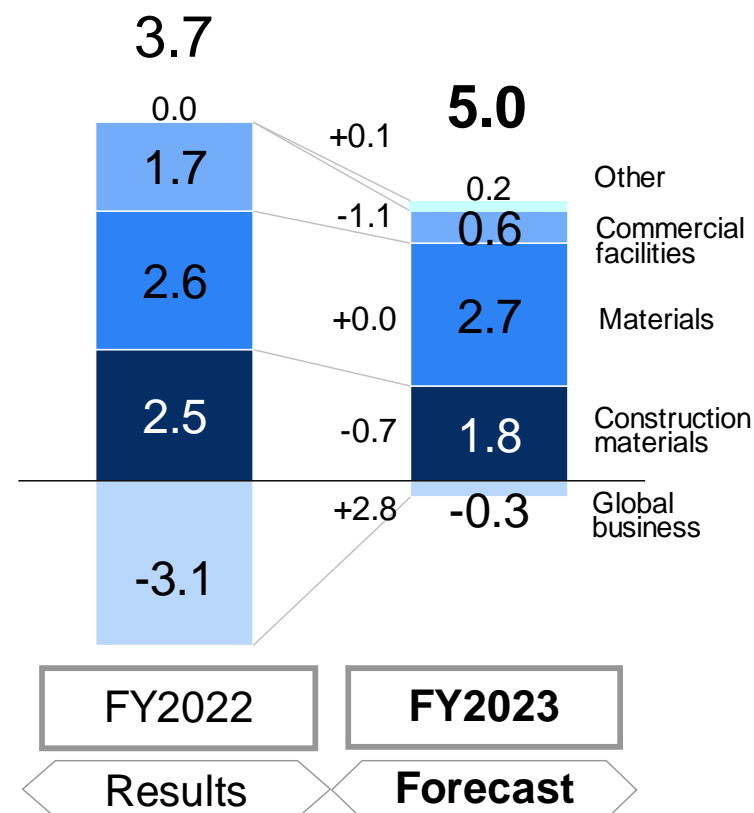
Net sales

Forecast **375.0** billion JPY
 Previous term results **340.5** billion JPY
 YoY **34.4** billion JPY

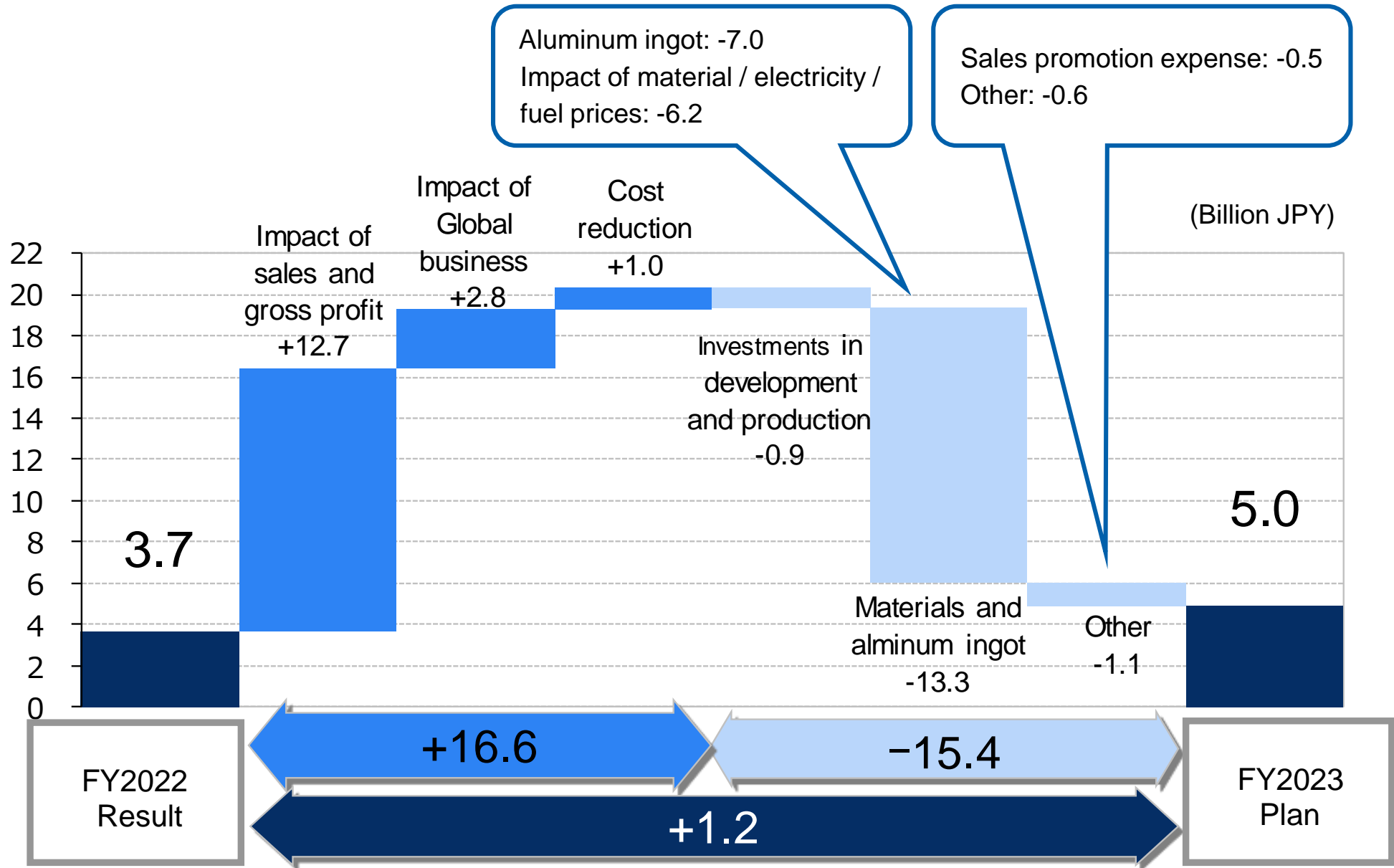


Operating income

Forecast **5.0** billion JPY
 Previous term results **3.7** billion JPY
 YoY **1.2** billion JPY



Note: Amounts are rounded down to the nearest 100 million JPY.



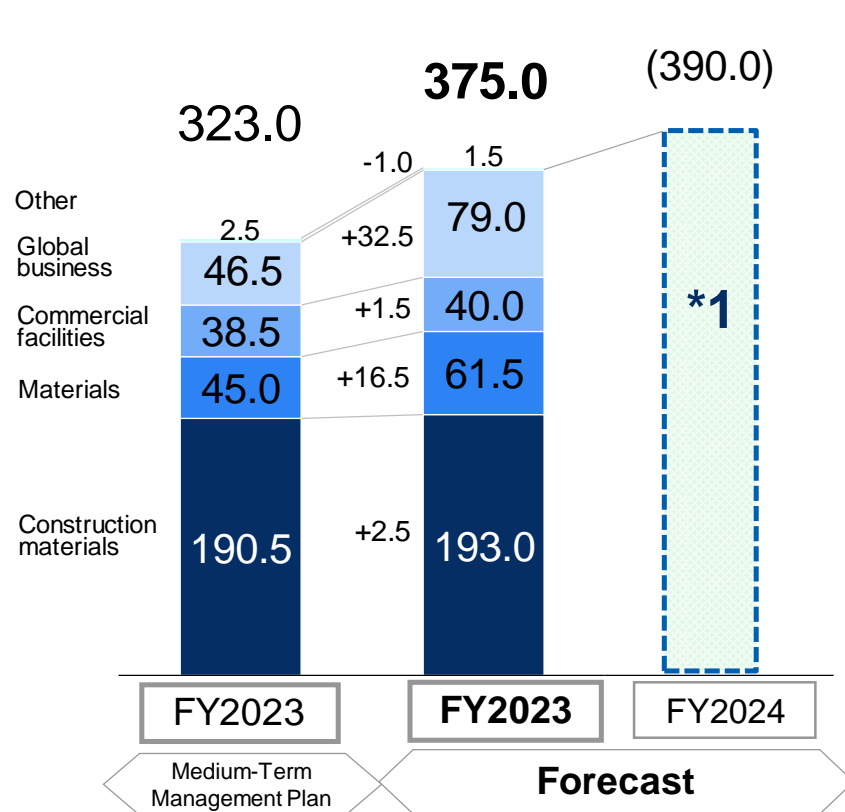
Change in profits from Global business is consolidated into "Impact of Global business."

Note: Amounts are rounded down to the nearest 100 million JPY.

Comparison of the FY2023 Forecast and the Medium-Term Management Plan

Net sales

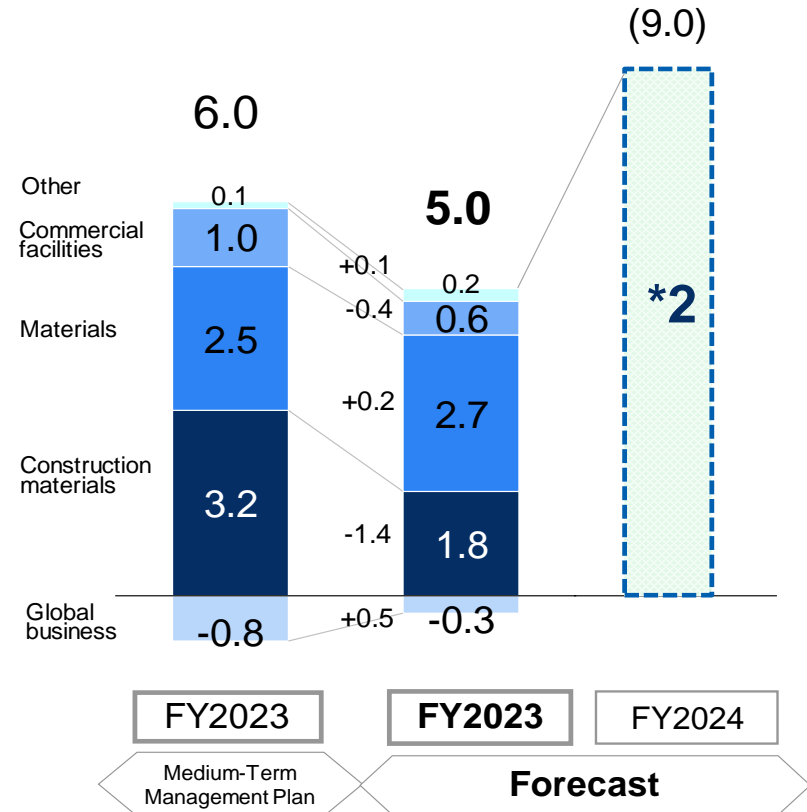
Forecast **375.0** billion JPY
 Medium-Term Management Plan **323.0** billion JPY
 Change from Medium-Term Management Plan **52.0** billion JPY



• **1** Net sales in FY2024 are expected to significantly increase due to their connection to the aluminum ingot market and price revisions.

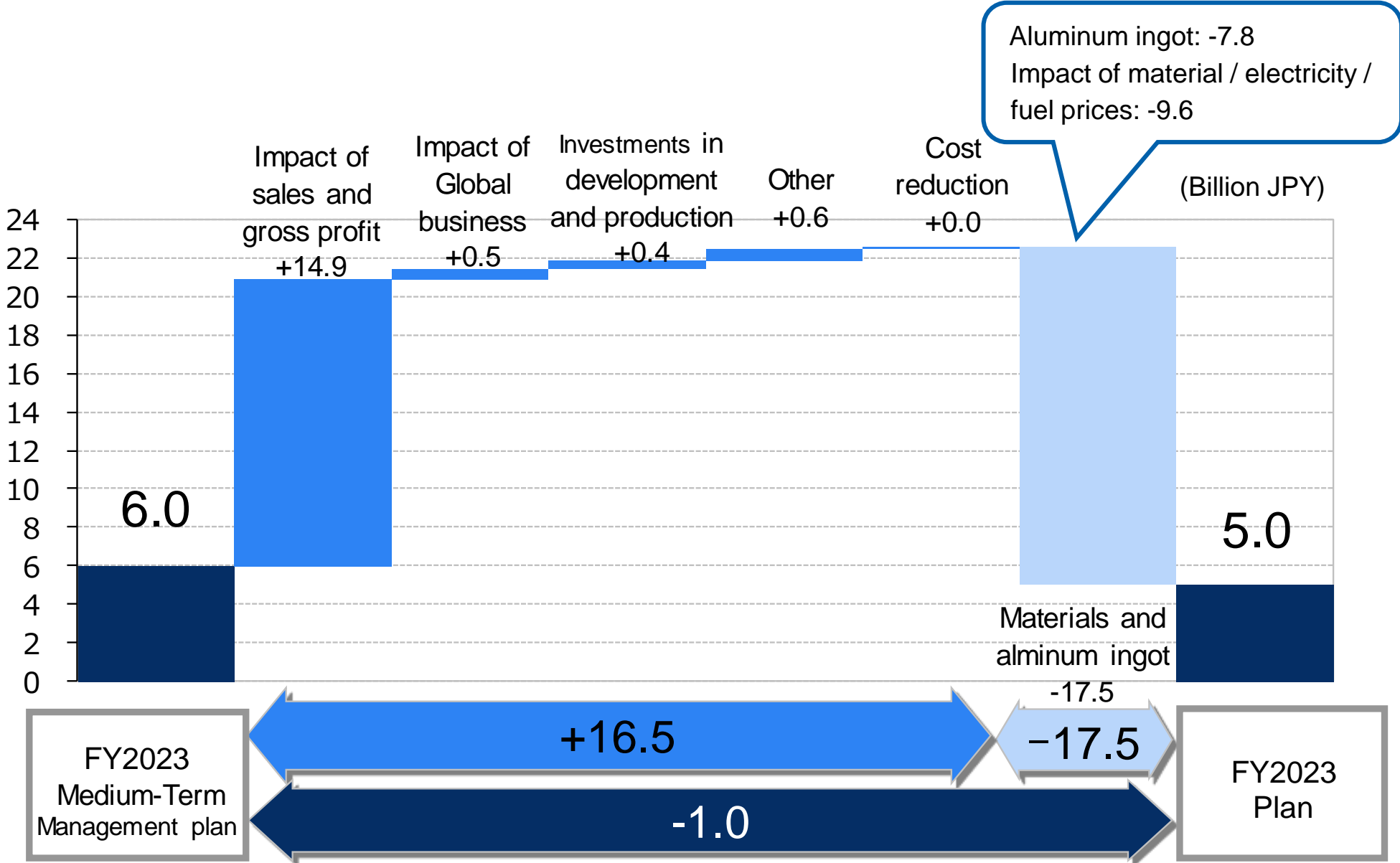
Operating income

Forecast **5.0** billion JPY
 Medium-Term Management Plan **6.0** billion JPY
 Change from Medium-Term Management Plan **-1.0** billion JPY



• **2** Operating income in FY2024 is expected to be in line with the Medium-Term Management Plan due to cost reduction and progress in price revisions.

Note: Amounts are rounded down to the nearest 100 million JPY.



Change in profits from Global business is consolidated into "Impact of Global business."

Note: Amounts are rounded down to the nearest 100 million JPY.

Reforms of Global Business (Outlook for the reform of STEP-G)

Aim to be profitable by increasing sales volume, mainly in the automotive segment, and improve profit

STEP-G's results and plan for this fiscal year

	FY2022 Results	FY2023 Plan	Year-on-year Change	
				%
Net sales	47.2	61.6	+ 14.4	30.5%
Operating income	-3.3	0.1	+ 3.4	-

■ Factors for the increase in net sales

- Sales linked to the aluminum ingot market: Approx. 11.0 billion JPY
- Increase sales volume: Approx. 3.0 billion JPY

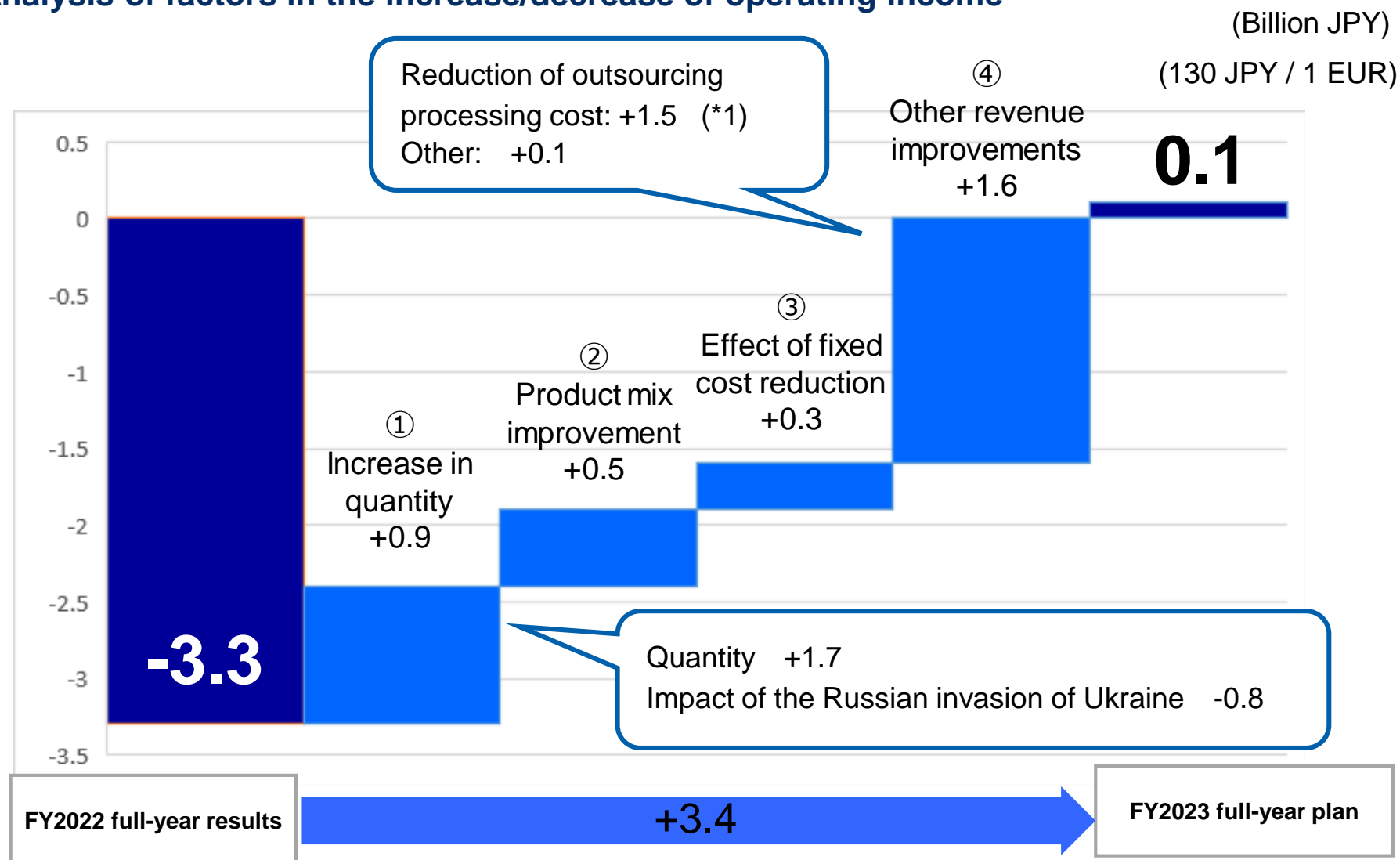
■ Factors for the increase in operating income

- Increase sales volume: Approx. 0.9 billion JPY
- Improve product mix: Approx. 0.5 billion JPY
- Effect of fixed cost reduction: Approx. 0.3 billion JPY
- Other revenue improvements: Approx. 1.6 billion JPY

◆ Outlook for the reform of STEP-G

■ FY2022 results and FY2023 plan

Analysis of factors in the increase/decrease of operating income



*1 Reduction of unnecessary outsourcing processing costs associated with the operation of in-house production equipment for automotive projects: +1.5 billion JPY

ST Extruded Products Group (STEP-G)

Acquired from Aleris(US) in March 2015, becoming a member of the Sankyo Tateyama Group

Operates a total of 6 plants, with 4 plants in Germany, 1 plant in Belgium, and 1 plant in China

Aluminum billet casting, extrusion and processing

Employees: approx. 1,100

Net sales: approx. 47 billion yen (FY2022)

Duffel: Extrusion



Bonn: Casting, and extrusion
(Casting line closed in FY2022)

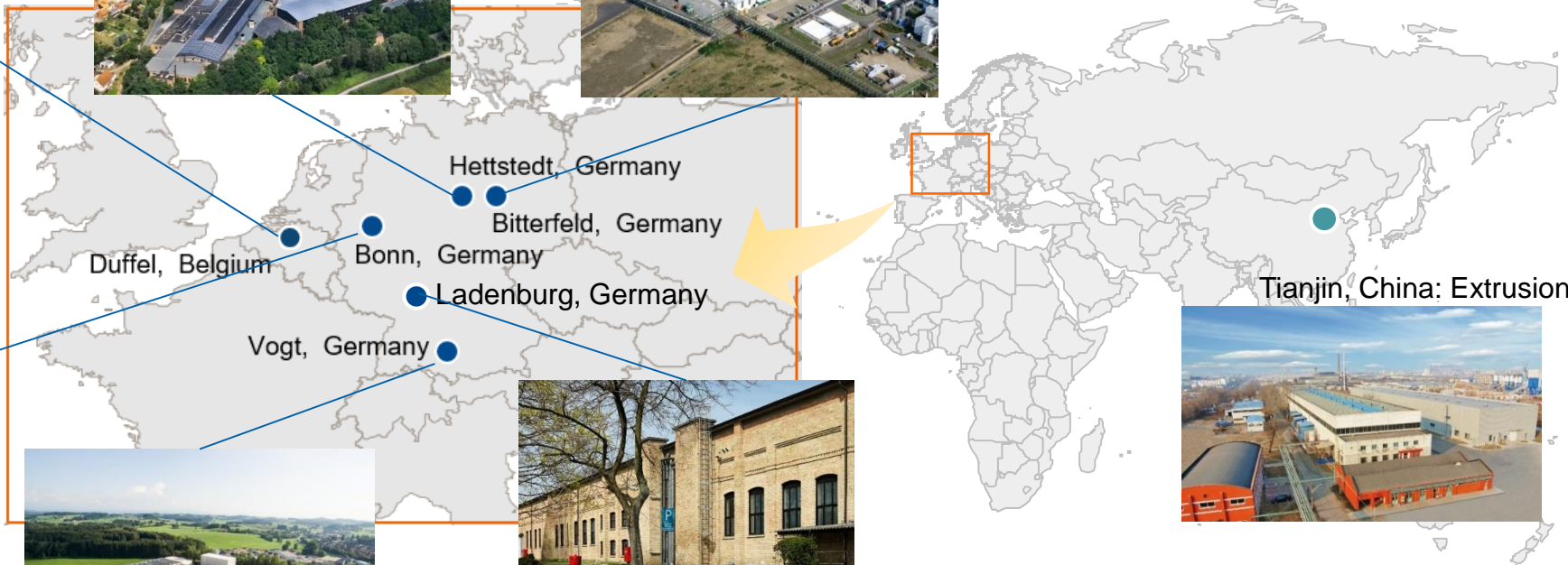
Vogt: Extrusion



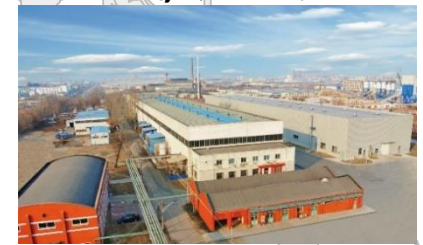
Hettstedt: Casting



Bitterfeld: Extrusion

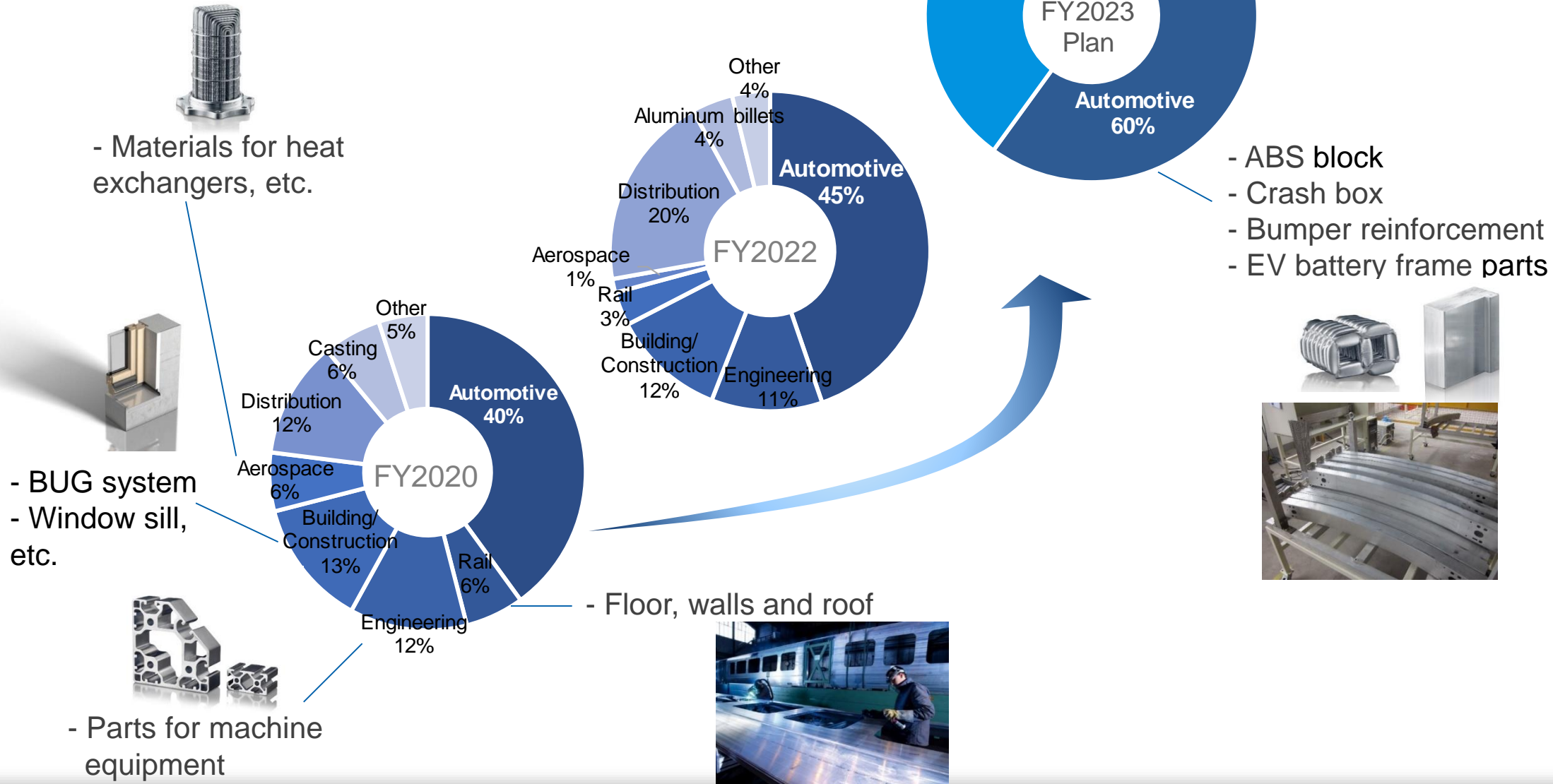


Ladenburg: Product processing and sales
(Closed in FY2022)



Tianjin, China: Extrusion

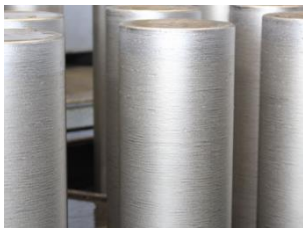
STEP-G Sales Volume by End Use





Sankyo Tateyama Alloy (Thailand)

Established: 2014
 Aluminum billet casting
 Employees: approx. 50
 Net sales:
 approx. 3.5 billion JPY
 (FY2022)



Thai-Aust Aluminium

2015: became a subsidiary
 Aluminum construction materials assembly and processing
 Employees: approx. 250
 Net sales: approx. 1.0 billion JPY (FY2022)

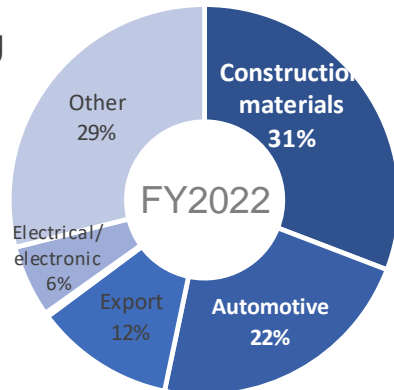


Thai Metal Aluminium

2015: became a subsidiary
 Aluminum HV extrusion and processing
 Employees: approx. 1,000
 Net sales: approx. 14.0 billion JPY
 (FY2022)



Sales volume by end use



FY2022 Topics

Declaration of Support for the TCFD Recommendations

&

Initiatives to reduce CO₂ emissions



In December 2021, Sankyo Tateyama declared its support for the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)*1

Going forward, Sankyo Tateyama will collect the necessary data and conduct analyses on the impact that climate change-related risks and opportunities will have on the company's business activities, management strategies and financial plans, and enhance its disclosures.

We will continue to contribute to the development of a society with a sustainable and good life through various corporate activities.

*1 The TCFD is a body established by the Financial Stability Board in 2015 in response to a request from the G20. The TCFD recommends businesses to evaluate the financial impact that climate-related risks and opportunities have on their management and disclose matters on governance, strategy, risk management, indicators and targets.



■ Zero CO₂ emissions from electricity usage, shifting to 100% renewable energy

- (1) - Applies to: **SankyoTateyama head office, nationwide branches, offices and sales offices of each company (Sankyo Alumi Company, Sankyo Material Company, Tateyama Advance Company), and employee dormitories**
 - *Does not include plants and consolidated subsidiaries.
 - Operation start date: December 1, 2021
 - CO₂ emission reduction: Approx. 3,660 tons per year (reduction rate of approx. 1.5% against emissions of approx. 247,000 tons in FY2013)
- (2) - Applies to: **Fukuno Plant, Fukuoka-nishi Plant, Fukuoka Branch Plant of Fukuoka-nishi Plant and Himi Plant**
 - Operation start date: June 1, 2022
 - CO₂ emission reduction: Approx. 3,000 tons per year (reduction rate of approx. 1.2% against emissions of approx. 247,000 tons in FY2013)

■ Transition to battery-operated forklifts

- Applies to: **6 plants of Sankyo Alumi Company and 5 plants of Sankyo Material Company**
 - *Forklifts (3 tons and lower): 107
 - Transition period: From October 2021 to October 2025
 - CO₂ emission reduction: Approx. 640 tons per year (reduction rate approx. 0.3% against emissions of approx. 247,000 tons in FY2013)
 - *CO₂ reduction after subtracting the CO₂ emissions produced when charging the battery-powered forklifts.

Sustainability Vision 2050 2030 Targets Material Issues

Sankyo Tateyama and
Subsidiary ST Logistics Service
& Certified as the 2022 Certified Health & Productivity
Management Outstanding Organization



Sustainability Vision 2050

Life with Green Technology

Taking on the challenge of achieving carbon neutrality

- Reduce greenhouse gas emissions from our business activities
- Reduce greenhouse gas emissions through the use of products and services created by our environmental technologies

Resource recycling

- Encourage recycling of major materials
- Promote the reuse of waste

Guiding human resources into the future

- Promote personnel development that values diversity and human rights

2030 Targets

Greenhouse gas emissions
50% reduction compared to
FY2013

Target: Scope 1 + 2 emissions from
the SankyoTateyama Group in Japan

Promoting the use of
recycled aluminum

Percentage of women in
management positions:
10%



Sankyo Tateyama's Sustainability Vision
2050, 2030 targets and the Sankyo
Tateyama Group's material issues were
disclosed in Sankyo Tateyama Integrated
Report 2021 (issued October 2021)

(Organizer: Ministry of Economy, Trade and Industry and Japan Health Conference)

**Certified as a corporation that considers
employee health management from a
management perspective and is working
strategically**

Sankyo Tateyama



Formulated the "Sankyo Tateyama Health Declaration" to
promote work-life balance and strengthen the creation of a
culture in which diverse human resources can play an active role.

Subsidiary ST Logistics Service



Formulate a "Health Management Declaration" and aim to create
a workplace where employees feel safe, easy to work, and
rewarding.

※Bright 500: Top 500 companies in the SME sector are certified



Sankyo Tateyama Twin Leaf Forest Development Activity (20th)



Sankyo Tateyama Group has participated in Corporate Forest Development advocated by Toyama Prefecture to contribute to the conservation of biodiversity, the reduction of CO2 emissions and local nature conservation activities.

To date, 2,500 seedlings have been planted in the forest of Takaoka city through the volunteer activities of the Group's employees and their family members. Until the seedlings have grown sufficiently, maintenance activities such as the cutting undergrowth will be continued.



Sunday, April 17, 2022: Twin Leaf Forest Development activities are conducted in Montlacs Takaoka (the former Toyama-Fukuoaka Family Travel Village). This time, to prevent the spread of infections, only a small number of people participated.

There were 32 participants, and they worked among the blooming cherry trees that had been planted previously under a refreshing blue sky. They cut vines twisting around the seedlings, attached pink-colored tape to the seedlings as a marker to be used when cutting undergrowth and installed wasp traps to prevent wasps from nesting to ensure safe activities in the future.

Sankyo Tateyama won
2021 Good Design Award &

(Organizer: Japan Institute of Design Promotion)

Received
15th “KIDS DESIGN AWARD”

(Organized by Kids Design Council, Sponsored by Ministry of Economy, Trade and Industry, Cabinet Office, and Consumer Affairs Agency)



✓ Door Handle [Long bar handle square type]



A highly universal long bar handle that can be operated anywhere from children to adults, that also considers reducing the opening force. It has a square design that matches the trend, but the operation part has a round and gentle feel that does not hurt even if you put your finger on it.

✓ Areaway Shelter [FIVEFORT]



An areaway shelter with a highly recyclable aluminum structure that enables the industry's largest pillar span of 5 meters and a roof overhang of 1.8 meters, which is comparable to a steel structure. With a simple flat roof design and a wide variety of installations, this product can be used anywhere.



[Category] Easy to have and raise children

✓ Balcony "Orne"



“Orne” offers the space where you can easily enjoy outdoor activities safely when you avoid outings. By enhancing functional products which are focused safety and comfort, we aim to improve the child-rearing environment and reduce mental and physical stresses even during busy period for childcare and housework.

✓ DI Window (Dynamic Insulation Window)



Received “BEYOND COVID-19 Special prize”

DI Window is double-glazed window that allows ventilation without opening it. The ventilation system installed in the upper frame allows the incoming air to flow between the outer and inner windows, thereby recovering the heat (warm or cold) escaping through the windows and ventilating the air keeping the room temperature as constant as possible. It creates a space that is warm in winter and comfortable in summer, while providing safe and secure ventilation without opening the windows.



“agri-cube ID” Plant Factory System Delivered to a large plant factory Misumi Co., Ltd. and Vegetable Tech Co., Ltd.

Agri-Cube ID: A plant factory system that provides comprehensive service from construction through to cultivation and operational support.

Daiwa House Industry Co., Ltd. (Daiwa House Industry) newly built a plant factory of Misumi Co., Ltd. and Vegetable Tech Co., Ltd.. Sankyo Tateyama undertakes the construction of plant factory equipment and provides cultivation technology and operational technology support.



Misumi Co., Ltd.

Construction location	Kamo-cho, Aira-shi, Kagoshima Prefecture
Total floor area	1,282m ²
Start of operation	May, 2022
Products cultivated	Vegetables (green leaf, frilly lettuce, etc.)
Scale of cultivation	3,200 plants/day (640kg/day based on conversion of 200g/frilly lettuce plant)



Vegetable Tech Co., Ltd.

Construction location	Naka-shi, Ibaraki Prefecture
Total floor area	4,938.5m ²
Start of operation	November, 2021
Products cultivated	Vegetables (green leaf, frilly lettuce, etc.)
Scale of cultivation	11,250 plants/day (2.25t/day based on conversion of 200g/frilly lettuce plant)



Sankyo Tateyama operate in a joint venture with Daiwa House industry to develop a range of proposals, including the creation of new businesses for corporate clients, the utilization of idle real estate, and the creation of new agricultural businesses for local government and agricultural corporations, with the aim of installing “agri-cube ID” plant factory systems in five projects a year by FY2026.



✓ Screen door for entrance

Sales
Jun. – May
vs. 2019 **109%**



"Accordion Amido"
"Temanon Amido"
Installed on the front door or sliding door to bring in the breeze. The "Temanon Amido Screen Door" can be easily removed and washed, so it is always clean.

✓ Outdoor space & Car space

Sales
Jun. – May
vs. 2019 **192%**



"Granfloor"
It is a new family space above the car space. Open outdoor spaces can be created with abundant variations using diverse panels.

✓ Garden room

Sales
Jun. – Feb.
vs. 2019 **137%**



"Happina Rela"
Provides a comfortable, relaxing space during the day or night.

✓ Natural ventilation system

Sales
Jun. – May
vs. 2019 **108%**



✓ Delivery box

Sales
Jun. – May
vs. 2019 **178%**



"Flamus / Flamus Light"
Allows a package to be received with or without people on site avoiding direct contact with the delivery person.

✓ Interior products

Sales
Jun. – May
vs. 2019 **128%**

"AMiS"
Movable partitions to create a space for home office.





✓ High durability to withstand storms

May 2021
Strengthening / refining



“ALGEO S-5”

Tough performance that can withstand large typhoons and guerrilla rainstorms. Further strengthened safety performance.

✓ Tough roof terrace folded plate

Sales
Jun. – May
vs. 2019 **198%**



“Super Terrace GT”

Strong against wind. Strong against snow. Able to handle irregular land surfaces. Terrace to protect life from strong wind and heavy snow.

✓ Increased snowfall resistance and wind pressure resistance

Sales
Jun. – May
vs. 2019 **116%**



“G1-R”

Strength design according to the amount of snow. Suppresses the blow-up of the folded plate and the shaking of the main body in strong winds.

✓ High specs for all required performance

Sales
Jun. – May
vs. 2019 **132%**



“MTG-70R High performance”

Respond to unpredictable changes in nature and realize a sustainable society.

✓ Seismic isolation products

Sales
Jun. – May
vs. 2019 **131%**



“URAYNUS”

Simply placing under store shelves make it difficult for displayed products to fall off. Damage can be reduced by preventing injuries caused by broken glass products and securing evacuation routes.

✓ Large telescopic gate that can withstand strong winds

Sales
Jun. – May
vs. 2020 **381%**

“Altendaforte”

Can be used with the door fully closed even in strong winds.



Reference

	Target period	2019	2020	2021
[Construction materials business (housing) index] The number of new housing starts	Apr.-Mar.	884 thousand units (-7.3% yoy)	812 thousand units (-8.1% yoy)	866 thousand units (+6.7% yoy)
The number of new housing starts [Owner-occupied houses]	Apr.-Mar.	283 thousand units (-1.5% yoy)	263 thousand units (-7.1% yoy)	281 thousand units (+6.9% yoy)
The number of new housing starts [House for rent]	Apr.-Mar.	335 thousand units (-14.2% yoy)	303 thousand units (-9.5% yoy)	331 thousand units (+9.3% yoy)
[Construction materials business (Building) index]Floor area of non-wooden structure starts	Apr.-Mar.	70.1 million m ² (-6.7% yoy)	64.5 million m ² (-8.0% yoy)	69.7 million m² (+8.0% yoy)
[Materials business index] Aluminum extrusion weight [Excluding sashes and doors]	Jun.-May	33.8 thousand tons (-5.5% yoy)	32.1 thousand tons (-5.1% yoy)	24.5 thousand tons (-23.7% yoy)
[Commercial facilities business index] The number of new building starts [Stores]	Apr.-Mar.	6,158 buildings (-15.0% yoy)	5,010 buildings (-18.6% yoy)	5,457 buildings (+8.9% yoy)
[Global business index] Vehicle production Germany	Apr.-Mar.	4417 thousand units (-10.9% yoy)	3431 thousand units (-22.3% yoy)	2984 thousand units (-13.0% yoy)
Vehicle production Thailand	Apr.-Mar.	1932 thousand units (-11.8% yoy)	1440 thousand units (-25.5% yoy)	1697 thousand units (+17.9% yoy)
[Aluminum ingot Average value (The Nikkei)]	Jun.-May	236.3 JPY/kg	261.1 JPY/kg	402.0 JPY/kg

(): Year-on-year comparison

Business Environment and Financial Results

- Construction materials business -

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

(Billion JPY)

	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	41.0	42.1	+1.1	+2.7%				
2Q	47.2	48.4	+1.2	+2.7%	88.2	90.6	+2.3	+2.7%
3Q	43.5	45.1	+1.6	+3.7%	131.8	135.8	+3.9	+3.0%
4Q	48.8	46.3	-2.4	-5.0%	180.6	182.1	+1.5	+0.9%
					FY2022 Plan	188.0		

- A trend toward recovery was seen in both the number of new housing starts and the floor area of non-wooden structure starts.
- Captured steady demand for condominium renovations and the like.
- Increased demand for products related to people staying home, ventilation and non-contact solutions.

Operating income

(Billion JPY)

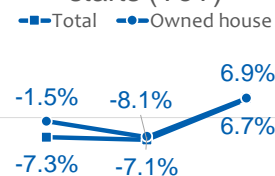
	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	-0.0	0.4	+0.5	-				
2Q	1.4	1.2	-0.2	-14.9%	1.4	1.7	+0.2	+20.8%
3Q	0.4	-0.2	-0.6	-160.5%	1.8	1.4	-0.3	-19.9%
4Q	1.8	1.0	-0.8	-44.8%	3.7	2.5	-1.2	-32.5%
					FY2022 Plan	2.4		

- Promoted revenue improvement measures to address the soaring prices of aluminum ingots and other raw materials.

(*1) "Accounting Standard for Revenue Recognition" etc. has been applied since FY2022, and the year-on-year comparison is shown as a reference value.

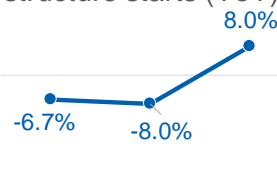
Business environment

Number of new housing starts (YoY)

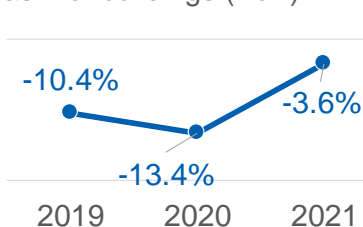


Source: Report of Statistical Survey of Construction Starts by the Ministry of Land, Infrastructure, Transport and Tourism

Floor area of non-wooden structure starts (YoY)

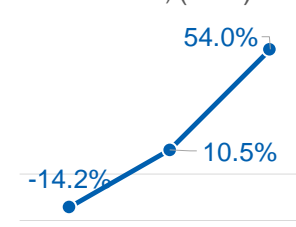


Sales weight of aluminum sash for buildings (YoY)



Source: Current Survey of Production by the Ministry of Economy, Trade and Industry

Aluminum ingot price (Source: The Nikkei) (YoY)



Cumulative total from Apr. to Mar. Cumulative total from Jun. to May

Business Environment and Financial Results

- Materials business -

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

(Billion JPY)

	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	7.8	11.9	+4.0	+52.1%				
2Q	10.0	12.6	+2.6	+25.9%	17.9	24.6	+6.6	+37.4%
3Q	10.2	13.5	+3.2	+32.0%	28.2	38.2	+9.9	+35.4%
4Q	11.4	15.1	+3.7	+32.5%	39.6	53.3	+13.7	+34.6%
					FY2022 Plan	47.5		

- Vigorous capital investment in semiconductor manufacturing equipment associated with the increasing demand for general machine and electric equipment
- Increase in sales linked to the aluminum ingot market

Operating income

(Billion JPY)

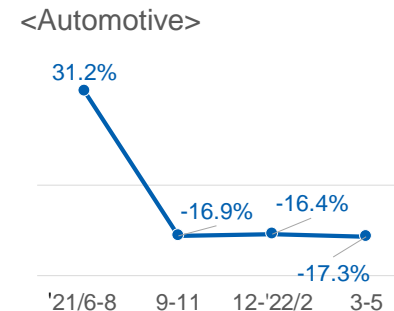
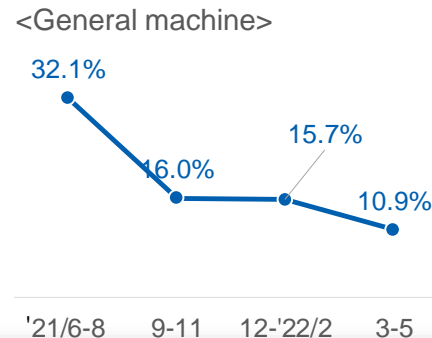
	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	0.2	1.0	+0.8	+360.3%				
2Q	1.0	0.5	-0.4	-44.9%	1.2	1.6	+0.3	+30.6%
3Q	0.8	0.3	-0.4	-56.6%	2.0	1.9	-0.0	-
4Q	0.5	0.6	+0.1	+23.0%	2.5	2.6	+0.0	+1.5%
					FY2022 Plan	2.2		

- Impact of the soaring prices of fuels and raw materials such as added metals

(*1) "Accounting Standard for Revenue Recognition" etc. has been applied since FY2022, and the year-on-year comparison is shown as a reference value.

Business environment

Domestic aluminum extrusion weight (YoY)



Source: Statistics by Japan Aluminum Association

Business Environment and Financial Results

- Commercial facilities business -

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	8.5	9.5	+1.0	+11.9%				
2Q	11.4	11.1	-0.2	-2.4%	19.9	20.6	+0.7	+3.7%
3Q	8.6	10.0	+1.3	+15.2%	28.6	30.7	+2.0	+7.2%
4Q	10.2	10.0	-0.2	-2.1%	38.8	40.7	+1.8	+4.8%
					FY2022 Plan	37.5		

- Recovery trend in new store construction starts
- Meeting demand for the renovation of existing stores due to active investment for the reduction of labor against the backdrop of the labor shortage and the rising cost of labor in the retail industry

Operating income

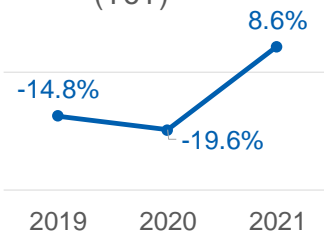
	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	0.2	0.3	+0.1	+65.6%				
2Q	0.8	0.6	-0.1	-22.0%	1.0	1.0	-0.0	-1.9%
3Q	0.3	0.5	+0.1	+45.3%	1.4	1.5	+0.1	+10.4%
4Q	0.6	0.1	-0.5	-77.6%	2.0	1.7	-0.3	-18.0%
					FY2022 Plan	0.9		

- Improving operational efficiency to address the soaring prices of steel and other raw materials

(*1) "Accounting Standard for Revenue Recognition" etc. has been applied since FY2022, and the year-on-year comparison is shown as a reference value.

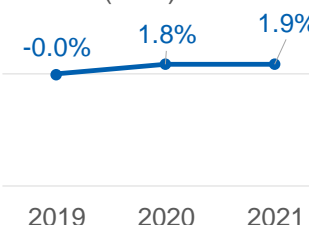
Business environment

Number of new building starts (Stores)
(YoY)



Source: Report of Statistical Survey of Construction Starts by the Ministry of Land, Infrastructure, Transport and Tourism

Retail sales amount (Whole)
(YoY)



Source: Report of Current Survey of Commerce by the Ministry of Economy, Trade and Industry

Cumulative total from Apr. to Mar.

Note: Amounts are rounded down to the nearest 100 million JPY.

Net sales

(Billion JPY)

	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	8.9	14.4	+5.5	+61.9%				
2Q	9.8	14.3	+4.4	+44.8%	18.7	28.7	+9.9	+52.9%
3Q	10.2	15.8	+5.5	+54.1%	29.0	44.6	+15.5	+53.3%
4Q	12.7	18.0	+5.2	+41.7%	41.8	62.6	+20.8	+49.8%
					FY2022 Plan	45.5		

- Increase in sales linked to the aluminum ingot market
- Increased sales volume in the engineering segment, etc. in Europe.
- Strong performance in Thailand centered on the automotive segment.

Operating income

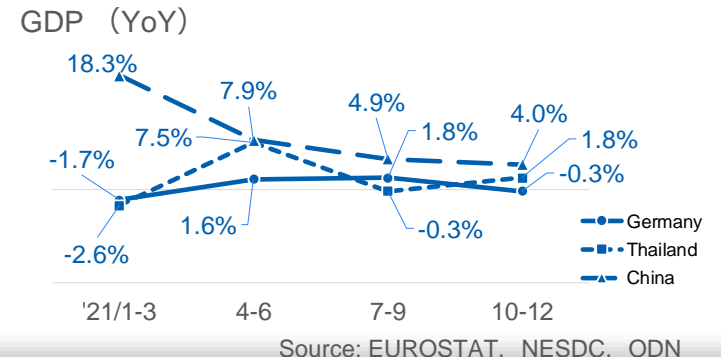
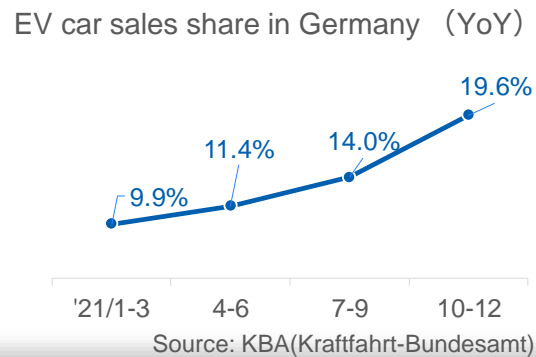
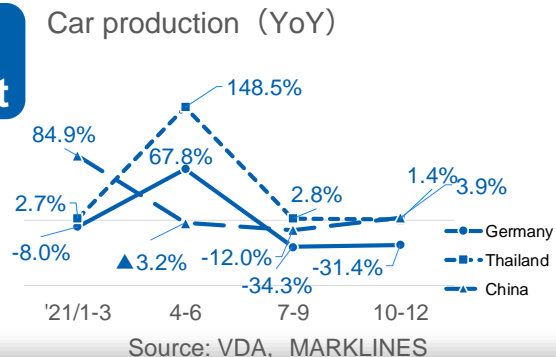
(Billion JPY)

	Quarterly				Total			
	FY2021	FY2022	Change YoY(*1)		FY2021	FY2022	Change YoY(*1)	
1Q	-0.6	-0.4	+0.2	-				
2Q	-0.9	-0.8	+0.1	-	-1.5	-1.2	+0.3	-
3Q	-0.9	-1.0	-0.0	-	-2.5	-2.2	+0.2	-
4Q	-1.0	-0.8	+0.1	-	-3.5	-3.1	+0.4	-
					FY2022 Plan	-1.7		

- Europe has been affected by the semiconductor shortage and the soaring prices of fuels and raw materials caused by the Russian invasion of Ukraine
- In Thailand, increased sales and an improved sales mix were observed

(*1) "Accounting Standard for Revenue Recognition" etc. has been applied since FY2022, and the year-on-year comparison is shown as a reference value.

Business environment



Balance Sheet

FY2021

FY2022

(Billion JPY)

Current assets 126.8	Current liabilities 107.2	Current assets 141.6	Current liabilities 121.8
	Fixed liabilities 61.5	Fixed asset 126.7	Fixed liabilities 61.0
Fixed asset 126.0	Net assets 84.0	Net assets 85.6	

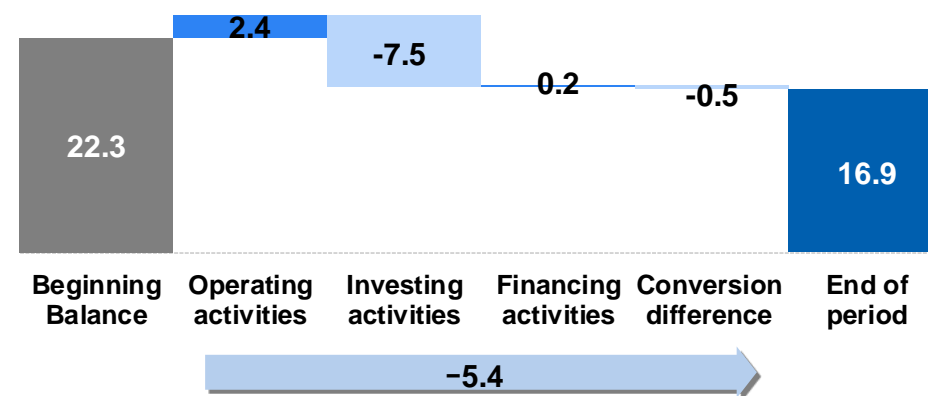
	End of FY2021	End of FY2022	YoY
Total assets	252.9	268.4	15.5
Equity	81.3	82.5	1.2
Capital adequacy ratio	32.1%	30.8%	-1.3pt
Interest-bearing dept	69.0	70.3	1.2
Interest-bearing dept ratio	84.9%	85.2%	0.3pt

Note: Amounts are rounded down to the nearest 100 million JPY.

- * Equity: net assets – non-controlling interests
- Capital adequacy ratio: equity / total assets
- Interest-bearing: short-term loans + long-term loans + corporate bonds
- Interest-bearing ratio: total amount of interest-bearing debt / equity

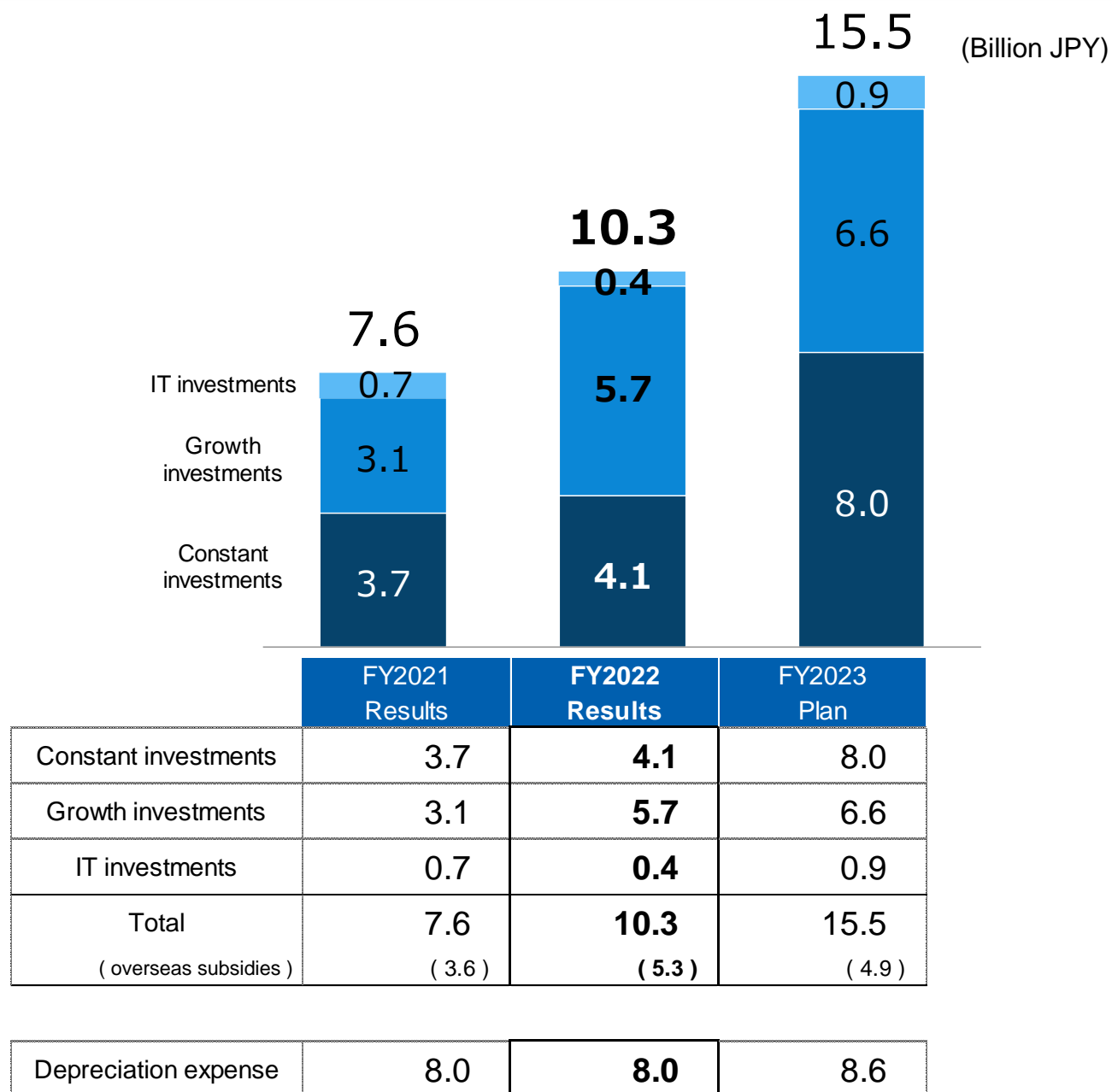
Statement of Cash Flows

(Billion JPY)



Cash flows from operating activities	2.4	Cash flows from investing activities	-7.5	Cash flows from financing activities	0.2
Profit (loss) before income taxes	2.9	Purchase of tangible fixed assets	-7.5	Net increase (decrease) in short-term loans	-1.1
Depreciation	8	Other, net	0.0	Proceeds from long-term borrowings	19.4
Decrease (increase) in trade receivables	-8.4			Repayments of long-term borrowings	-16.7
Decrease (increase) in inventories	-7.8			Dividends paid	-0.7
Increase (Decrease) in trade payables	12.3			Other, net	-0.5
Income taxes paid	-2.1				
Other, net	-2.3				

Note: Amounts are rounded down to the nearest 100 million JPY.



Note: Amounts are rounded down to the nearest 100 million JPY.

Scope of consolidation and equity method

	End of FY2021	End of FY2022	YoY
Consolidated subsidiaries	47	47	-
Equity method-applied companies	7	7	-
Total	54	54	-

Status of personnel (Regular employees)

	End of FY2021	End of FY2022	YoY
Sankyo Tateyama, Inc.	5,138	5,034	-104
Consolidated subsidiaries	5,439	5,341	-98
Total	10,577	10,375	-202

Aluminum Ingot Price and Exchange Rates

		average	FY2021 Results	FY2022 Plan	FY2022 Results	FY2023 Plan
Aluminum ingot price (Nikkei Aluminum average)		Jun.-May	261.1 JPY/kg	325.0 JPY/kg	402.0 JPY/kg	405.0 JPY/kg
Exchange rates	USD	Apr.-Mar.	106.1 JPY	110.0 JPY	112.4 JPY	130.0 JPY
	EUR	Apr.-Mar.	123.8 JPY	127.0 JPY	130.5 JPY	130.0 JPY
	THB	Apr.-Mar.	3.4 JPY	3.5 JPY	3.4 JPY	3.5 JPY
	CNY	Apr.-Mar.	15.7 JPY	16.3 JPY	17.5 JPY	20.0 JPY

Sustainability Vision 2050 Life with Green Technology

Achieving carbon neutrality

We aim to become carbon neutral by striking a balance between reducing greenhouse gas emissions resulting from our business activities and reducing the greenhouse gas emissions of the products and services that we create with environmental technologies.

Reusing resources

To help bring about a recycling-oriented society, we will encourage recycling of major materials and promote the reuse of waste.

Connecting personnel and the future

By promoting personnel training that values diversity and human rights, we will foster a dynamic corporate culture, which is how we connect the personnel—who are the driving force behind our efforts to make lives richer—with the future.

2030 Targets

Greenhouse gas emissions

50% cut

(compared to FY2013)

For the group's emissions in Japan in Scope 1 + 2

Encouraging use of recycled aluminum

Percentage of women in management positions: 10%



Notes regarding these documents

These documents contain forward-looking statements, including plans, strategies, and business results of Sankyo Tateyama, Inc. and its consolidated subsidiaries (hereinafter collectively referred to as the “Sankyo Tateyama Group”). These statements are based upon assumptions and decisions of the Sankyo Tateyama Group that have been derived from information available as of the time of writing, and include foreseeable and unforeseeable risks, uncertainties, and other factors. Due to these effects, the actual business results, business activities, and financial conditions of the Sankyo Tateyama Group may vary significantly from these forward-looking statements. Additionally, the Sankyo Tateyama Group may not necessarily revise its forward-looking statements in response to new information, future events, or other reasons. Risks, uncertainties, and other factors that may have a material effect on the actual business results and other aspects of the Sankyo Tateyama Group may include, but are not limited to, economic conditions in the business areas in which it operates, changes in demand trends, and intensified price competition for the products and services of the Sankyo Tateyama Group, as well as price fluctuations of items such as aluminum ingots.

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