

Financial Results for 3Q FYE2024
(June 1, 2023 – February 29, 2024)

April 4, 2024

✓ In 3Q FYE2024, sales decreased and operating income increased YoY.

- **Net sales declined approximately 11.3 billion JPY, mainly reflecting the lower sales volume in Japan and overseas.**

In Europe, the sales volume of products for EVs continued to decline. In Japan, net sales decreased due to the aluminum extrusion market slump, mainly for industrial use such as the semiconductor sector, in addition to the stagnant construction market.
- **Operating income increased approximately 1.5 billion JPY, mainly reflecting the effects of price revisions.**

Operating income rose due to price revisions and the effects of cost reductions, despite the impact of lower sales and rising energy and material prices in Japan and overseas.

✓ Revision of the Full-year Forecast for FYE2024

We revised the full-year forecast reflecting the following factors.

- An extraordinary loss of approximately 2.1 billion JPY including the repair and other expenses and losses associated with the shutdown of plants due to the 2024 Noto Peninsula Earthquake
- The greater-than-expected decline in the sales volume of products for EVs in European subsidiary
- The continuing slump in the aluminum extrusion market in addition to the domestic construction market, which have made the recovery of the sales volume unlikely in this fiscal year

Summary of Consolidated Financial Results for 3Q FYE2024 and FYE2024 Forecast

Financial results

(Billion JPY)

	9 months total (June 2023 - February 2024)				3 months total (December 2023 - February 2024)			
	3Q FYE2024 Results	3Q FYE2023 Results	Year-on-year Change		3Q FYE2024 Results	3Q FYE2023 Results	Year-on-year Change	
				%				%
Net sales	264.4	275.8	-11.3	-4.1%	83.0	88.7	-5.6	-6.4%
Operating income	2.6	1.0	1.5	146.7%	0.1	0.2	0.0	-10.9%
Operating margin	1.0%	0.4%	—	0.6p	0.2%	0.2%	—	0.0p
Ordinary income	2.8	1.6	1.1	70.2%	0.0	0.3	△ 0.2	-77.2%
Net income attributable to owners of parent	-0.5	0.6	-1.1	-	-1.8	0.0	△ 1.9	-

Full-Year Forecast

(Billion JPY)

	FYE2024 Forecast (Current) ^{*1}	FYE2024 Forecast (Previous) ^{*2}	Change	%
Net sales	352.0	375.0	-23.0	-6.1%
Operating income	3.5	6.0	-2.5	-41.7%
Operating margin	1.0%	1.6%	—	-0.6p
Ordinary income	3.0	5.5	-2.5	-45.5%
Net income attributable to owners of parent	-1.0	3.0	-4.0	-

*1 Announced on April 4, 2024

*2 Announced on July 12, 2023

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

Year-end dividend forecast

10 JPY per share (plan)

Review of Consolidated Financial Results for 3Q FYE2024: Year-on-Year Comparison

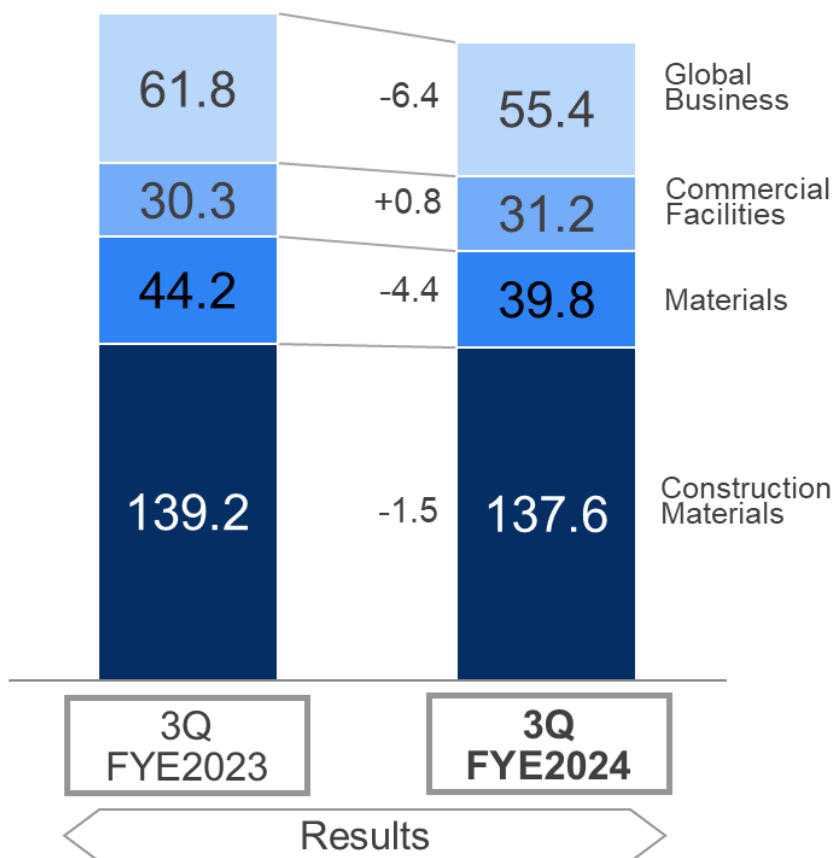
Net sales

264.4 billion JPY

Change YoY **-11.3** billion JPY
(-4.1%)

275.8

264.4



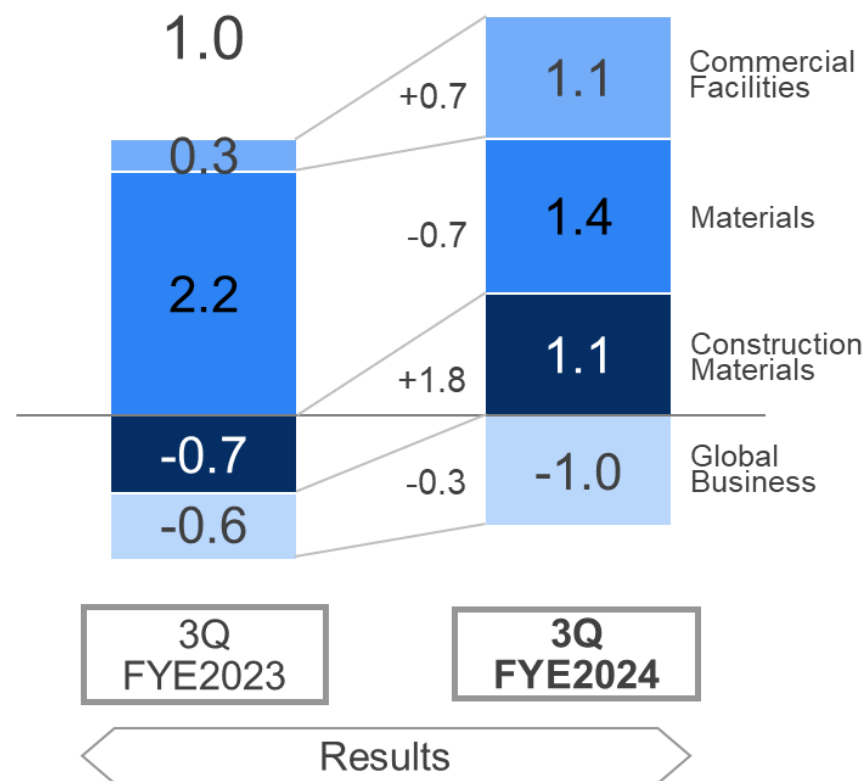
Operating income

2.6 billion JPY

Change YoY **+1.5** billion JPY
(+146.7%)

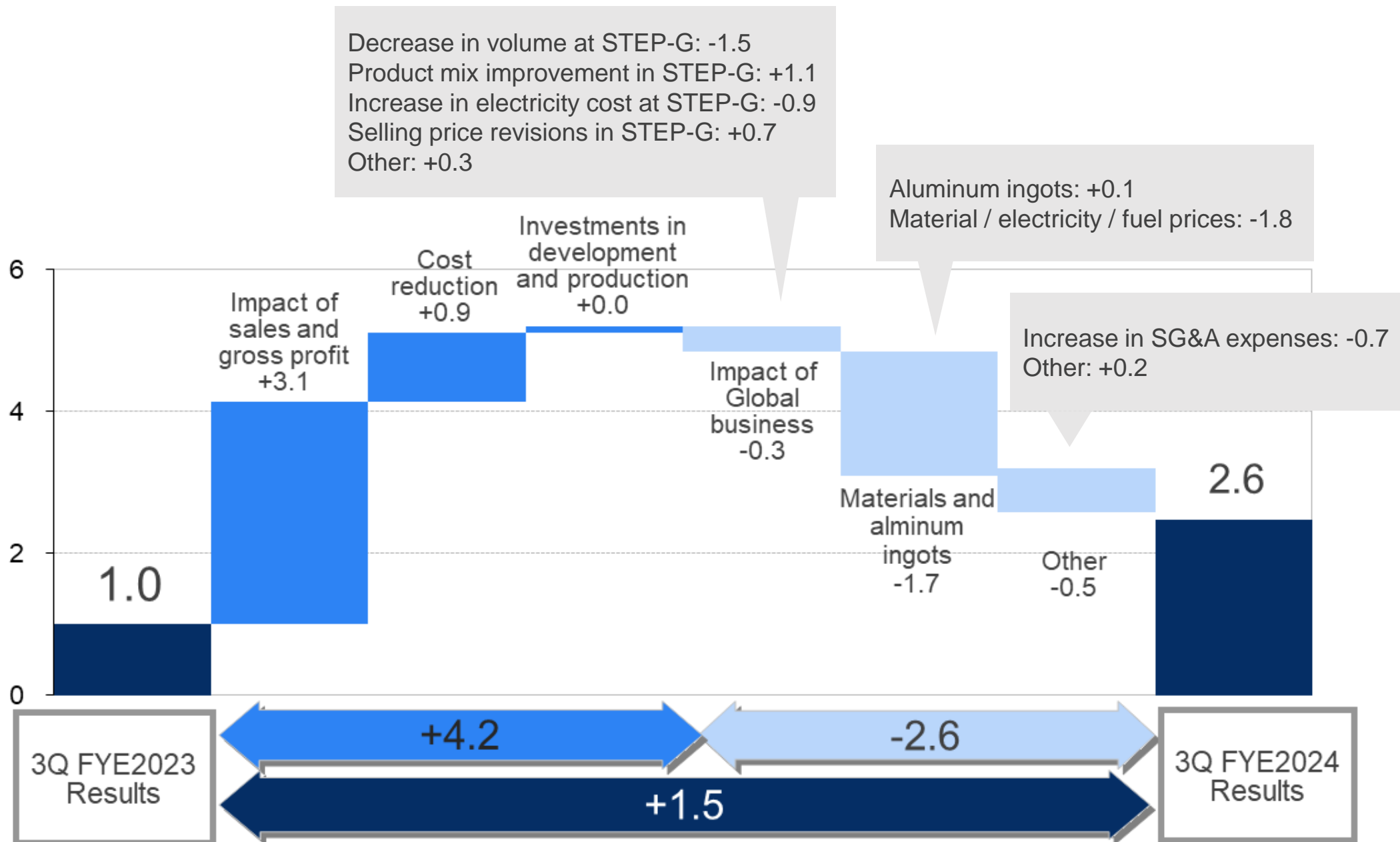
1.0

2.6



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

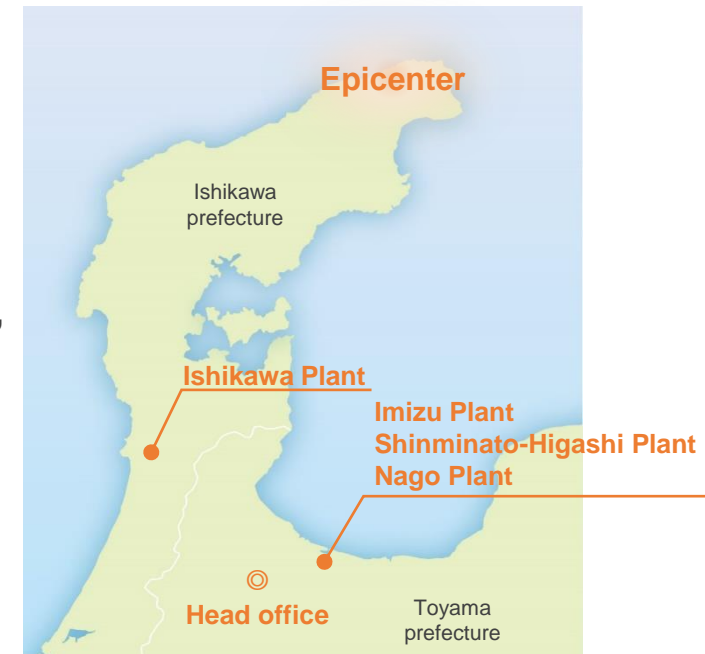
Factors for Change in Operating Income for 3Q FYE2024: Year-on-Year Comparison



Change in profits from Global business is consolidated into "Impact of Global business".
 Note: Amounts are rounded down to the nearest 100 million JPY.

■ Status of damage

- No casualties among the Group's employees.
- Regarding production, we temporarily shut down four plants (Imizu Plant, Ishikawa Plant, Shinminato-Higashi Plant and Nago Plant) to confirm safety on January 5, but one by one we resumed production, starting on January 9. Production was resumed at all of the plants in January.



■ Impact on financial results

- An extraordinary loss of approximately 2.1 billion JPY was recorded, mainly due to repairing expenses for buildings and equipment, such as those of the head office, branches, subsidiaries, and plants located in the Hokuriku area, and losses associated with the shutdown of the plants.

SankyoTateyama was certified as a “2024 Health & Productivity Management Outstanding Organization” in the large enterprise category (White 500).

(Organizer: Ministry of Economy, Trade and Industry, Nippon Kenko Kaigi)

In March 2024, SankyoTateyama was certified as a “2024 Health & Productivity Management Outstanding Organization,” or a company that works on the health management of employees from managerial perspectives and take the necessary measures in a strategic way, in the large enterprise category (White 500). In addition, ST Logistics Service Co., Ltd., one of its Group companies, was certified as a “2024 Health & Productivity Management Outstanding Organization” in the small and medium-sized enterprise category (Bright 500) for three consecutive years.

■ SankyoTateyama

Large enterprise category Certified as a White 500 enterprise for the second time since 2021

* White 500: The title awarded to the top 500 companies in the large enterprise category



2024
健康経営優良法人
Health and productivity
ホワイト500

■ ST Logistics Service

Small and medium-sized enterprise category Certified as a Bright 500 enterprise for three consecutive years since 2022

* Bright 500: The title awarded to the top 500 companies in the small and medium-sized enterprise category.



2024
健康経営優良法人
Health and productivity
ブライト500

We will continue to pursue health management in line with our philosophy, “based on cooperation encompassing clients, local communities and employees, we create new value and contribute to the realization of a world of well-being by giving customers delight and satisfaction,” by building a work environment that enables employees to work with peace of mind.

● News Release (Recognition as a Health & Productivity Management Organization 2024)
(Japanese) ➡ <https://www.st-grp.co.jp/news/2024news/st20240311.html>



Maintaining Sustainability and Supporting Affluent Lifestyles Initiatives to reduce CO2 emissions

■ B rating in climate change awarded in CDP 2023

*CDP: An international non-governmental organization (NGO) that is headquartered in London. The CDP investigates initiatives for addressing environmental problems taken by enterprises and cities and scores them on an eight-level scale: leadership (A, A-), management (B, B-), awareness (C, C-) and information disclosure (D, D-).



■ Support for the Resin Window Recycling Vision

We support the intent of the Resin Window Recycling Vision announced by the Japan Sash Manufacturers Association, the PVC Windows Industries Association, the Vinyl Environmental Council, and the Resin Window Recycling Review Committee. We will provide support for activities guided by this vision.

◇ Promotion of resin recycling at the Company
FYE2022 Report --- Achieved an internal recycling rate of more than 50%



Aluminum-resin composite sash

Processed scrap material of extruded resin

We will contribute to sustainable, prosperous living through various corporate activities, aiming to achieve our FYE 2030 target of reducing greenhouse gas emissions 50%.

● News Release (CDP) (Japanese) → <https://www.st-grp.co.jp/news/2024news/st20240209.html>



● News Release (Resin Window Recycling Vision) (Japanese) → <https://www.st-grp.co.jp/news/2024news/st20240129a.html>



Used as a carport panel material, an industry first Strong sales of carports using “Black polycarbonate boards”

These are “SHADOW COOL” carports, featuring a non-permeable roof material with a matte texture that creates coolness like a parasol.

Sales of this carport have been brisk due to the touch of high-class created by the matte texture in addition to the extreme heat in recent years.

A touch of high-class created by the non-permeable material with a matte texture

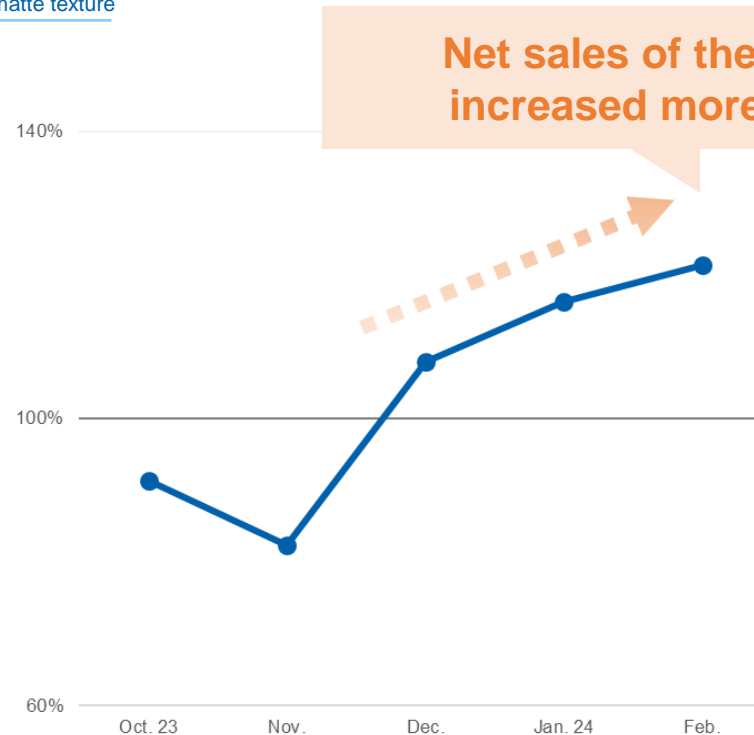


“Double face”



”Selfie”

“Sky-Lead”



Net sales of the three products increased more than 20% YoY.

One product was added to this series in March 2024.

“Camfie-Ace”



We will continue to offer products which will enable to suggest attractive exterior spaces tailored to your lifestyles.

● SHADOW COOL and TWO TONE carport brochure →



	Target period	2021	2022	2023
[Construction materials business (housing) index] The number of new housing starts	Apr.-Dec.	665 thousand units (+7.2%)	659 thousand units (-1.0%)	618 thousand units (-6.2%)
The number of new housing starts [Owner-occupied houses]	Apr.-Dec.	224 thousand units (+11.2%)	196 thousand units (-12.5%)	172 thousand units (-12.1%)
The number of new housing starts [House for rent]	Apr.-Dec.	252 thousand units (+8.1%)	266 thousand units (+5.6%)	263 thousand units (-1.3%)
[Construction materials business (Building) index] Floor area of non-wooden structure starts	Apr.-Dec.	53.3 million m ² (+9.5%)	53.5 million m ² (+0.4%)	49.2 million m² (-8.1%)
[Materials business index] Aluminum extrusion weight [Excluding sashes and doors]	Jun.-Feb.	245 thousand tons (+3.1%)	232 thousand tons (-5.1%)	266 thousand tons (+14.6%)
[Commercial facilities business index] The number of new building starts [Stores]	Apr.-Dec.	4,208 buildings (+9.0%)	4,571 buildings (+8.6%)	4,149 buildings (-9.2%)
[Global business index] Vehicle production Germany	Apr.-Dec.	2158 thousand units (-13.5%)	2609 thousand units (+20.9%)	2970 thousand units (+13.9%)
Vehicle production Thailand	Apr.-Dec.	1217 thousand units (+25.0%)	1412 thousand units (+16.0%)	1334 thousand units (-5.6%)
[Aluminum ingot Average value (The Nikkei)]	Jun.-Feb.	379.3 JPY/kg	400.5 JPY/kg	389.1 JPY/kg

The categories the Japan Aluminium Association uses when publishing their aggregated data have been changed. It is estimated that the value increased approximately 4% year on year under the same conditions as in the previous year.

(): Year-on-year comparison

Business Environment and Financial Results - Construction materials business -

Net sales

	Quarterly			Total				
	FYE2023	FYE2024	Change YoY	FYE2023	FYE2024	Change YoY(*1)		
1Q	43.7	44.9	+1.1	+2.7%	94.3	93.1	-1.2	-1.3%
2Q	50.5	48.1	-2.4	-4.8%	139.2	137.6	-1.5	-1.1%
3Q	44.8	44.5	-0.3	-0.7%				
4Q								

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

- Price revisions took root
- Tapped into demand for renovations due to the 2023 Household Energy Saving Campaign
- Sluggish construction market

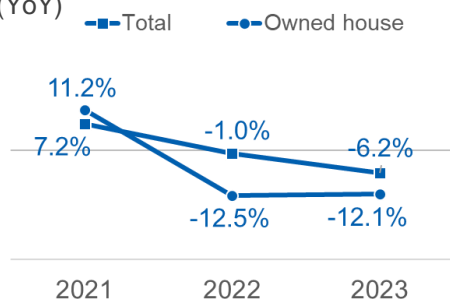
Operating income

	Quarterly			Total				
	FYE2023	FYE2024	Change YoY	FYE2023	FYE2024	Change YoY		
1Q	-0.7	-0.3	+0.4	-	-0.5	0.6	+1.2	-
2Q	0.1	0.9	+0.8	+476.0%	-0.7	1.1	+1.8	-
3Q	-0.1	0.4	+0.6	-				
4Q								

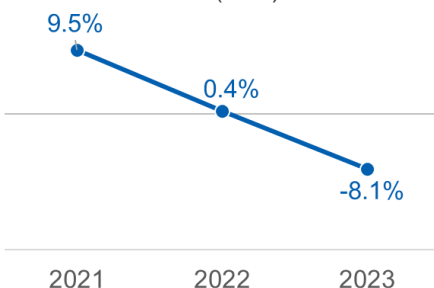
- Effects of measures to improve profitability, including price revisions, etc.

Business environment

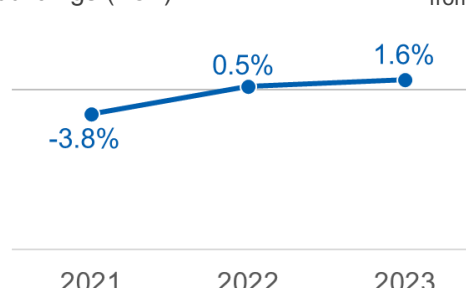
Number of new housing starts (YoY)



Floor area of non-wooden structure starts (YoY)

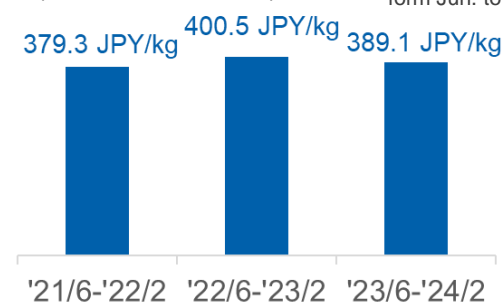


Sales weight of aluminum sash for buildings (YoY)



Cumulative total from Apr. to Dec.

Aluminum ingot price (Source: The Nikkei)



Cumulative average from Jun. to Feb.

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

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

Business Environment and Financial Results - Materials business -

Net sales

	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	14.3	14.0	-0.3	-2.1%	29.3	27.7	-1.6	-5.7%
2Q	15.0	13.7	-1.3	-9.1%				
3Q	14.8	12.0	-2.7	-18.5%				
4Q								
					44.2	39.8	-4.4	-10.0%
4Q								

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

- An increase in demand in the transportation sector reflecting the recovery of domestic production
- Continued declines in demand in the construction materials and general machine sectors
- A decrease in sales linked to aluminum ingot market
- A decrease in orders received due to the 2024 Noto Peninsula Earthquake

Operating income

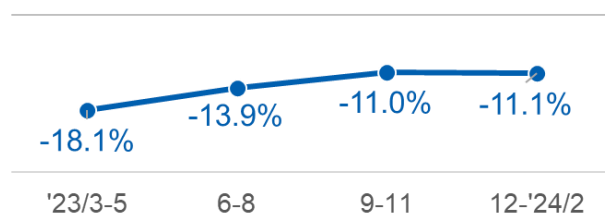
	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	0.8	0.4	-0.3	-44.4%	1.9	1.5	-0.4	-22.2%
2Q	1.0	1.0	-0.0	-4.7%				
3Q	0.3	-0.0	-0.3	-				
4Q								
					2.2	1.4	-0.7	-34.8%
4Q								

- Change in sales composition and decline in sales, etc.

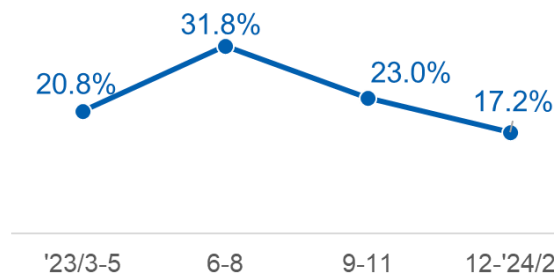
Business environment

Domestic aluminum extrusion weight (YoY)

<General machine>



<Automotive>



Source: Statistics by Japan Aluminum Association

Business Environment and Financial Results - Commercial facilities business -

Net sales

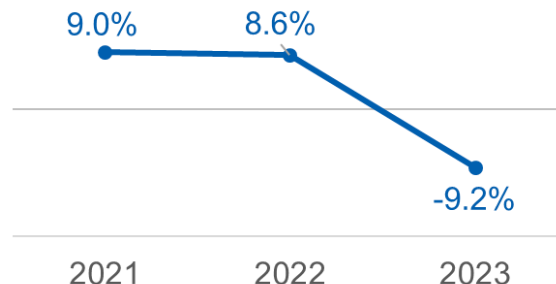
	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	9.1	9.7	+0.6	+7.2%				
2Q	11.6	12.4	+0.7	+6.3%	20.8	22.2	+1.3	+6.7%
3Q	9.5	9.0	-0.5	-5.3%	30.3	31.2	+0.8	+2.9%
4Q								

Operating income

	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	0.0	0.2	+0.1	+326.4%				
2Q	0.2	0.7	+0.5	+206.5%	0.3	1.0	+0.7	+229.3%
3Q	0.0	0.0	+0.0	+211.2%	0.3	1.1	+0.7	+227.7%
4Q								

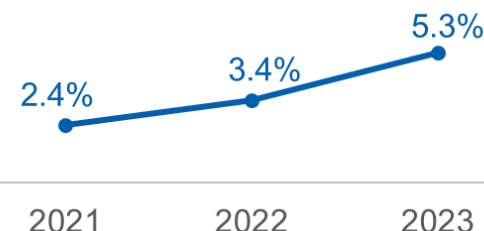
Business environment

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 (YoY)



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

Cumulative total from Apr. to Dec.

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

- Captured demand for new store openings and renovations, particularly in categories showing proactive investment
- Price revisions took root, etc.

- Increase in net sales
- Effects of measures to improve profitability, including price revisions, etc.

Business Environment and Financial Results - Global business -

Net sales

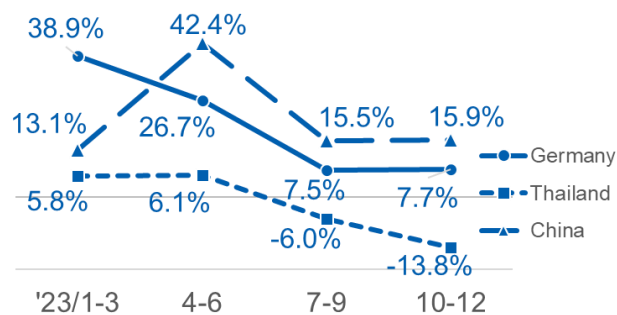
	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	20.2	19.6	-0.6	-3.0%	42.4	38.1	-4.2	-10.0%
2Q	22.1	18.4	-3.6	-16.5%				
3Q	19.4	17.2	-2.1	-11.2%				
4Q								
					61.8	55.4	-6.4	-10.4%

Operating income

	Quarterly				Total			
	FYE2023	FYE2024	Change YoY		FYE2023	FYE2024	Change YoY	
1Q	-1.0	0.2	+1.3	-	-0.6	-0.6	+0.0	-
2Q	0.3	-0.9	-1.2	-				
3Q	0.0	-0.3	-0.4	-				
4Q								
					-0.6	-1.0	-0.3	-

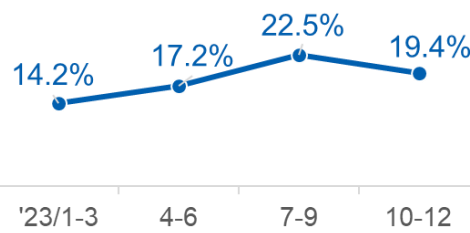
Business environment

Car production (YoY)



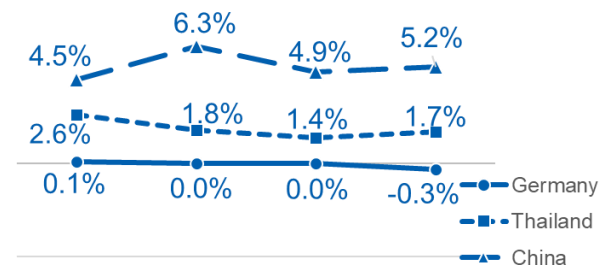
Source: VDA, MARKLINES

EV car sales share in Germany



Source: KBA (Kraftfahrt-Bundesamt)

GDP (YoY)



Source: EUROSTAT, NESDC, CEIC

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

- An increase in sales due to the impact of exchange rates
- A decrease in sales linked to aluminum ingot market
- Continued decline in the sales volume of products for EVs in European subsidiary

- Progress in improvements including sales composition and price pass-through against energy and materials price increases in European subsidiary
- Decline in net sales

Aluminum Ingot Price and Exchange Rates

		average	3Q FYE2023 9months Results	FYE2024 Plan	3Q FYE2024 9months Results
Aluminum ingot price (Nikkei Aluminum average)		Jun.-Feb.	400.5 JPY/kg	375.0 JPY/kg	389.1 JPY/kg
Exchange rates	USD	Apr.-Dec.	136.5 JPY	135.0 JPY	143.3 JPY
	EUR	Apr.-Dec.	140.6 JPY	140.0 JPY	155.3 JPY
	THB	Apr.-Dec.	3.8 JPY	3.8 JPY	4.1 JPY
	CNY	Apr.-Dec.	19.9 JPY	19.5 JPY	20.0 JPY

Sustainability Vision 2050

Life with Green Technology

Achieving carbon neutrality

We aim to 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.

FYE2030 Targets

Greenhouse gas emissions

50% cut

(compared to FYE2017) (Scope1+2*)

Promoting use of recycled aluminum

Percentage of woman in management positions:

10%

*Scope1: Direct emissions from in-house fuel use, Scope2: Indirect emissions from the use of heat and electricity purchased the company

Environment



Social



Governance



■ 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, exchange rates, as well as price fluctuations of items such as aluminum ingots.

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