

Corporate Profile

(As of March 31, 2025)

Corporate Profile

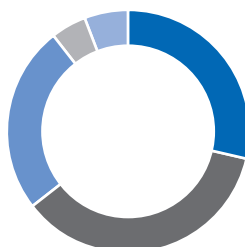
Company Name	KANEMATSU CORPORATION
Established	August 15, 1889
Foundation	March 18, 1918
President & CEO	Yoshiya Miyabe
Head Office	7-2 Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-7017, Japan
Paid-in Capital	¥27,781 million
Fiscal Year	April 1 to March 31
General Meeting of Shareholders	June
Number of Offices	Domestic: Tokyo Head Office, Kobe Head Office and branches 5 Overseas: 33
Number of Employees	821 (Consolidated: 8,644)

Investor Information

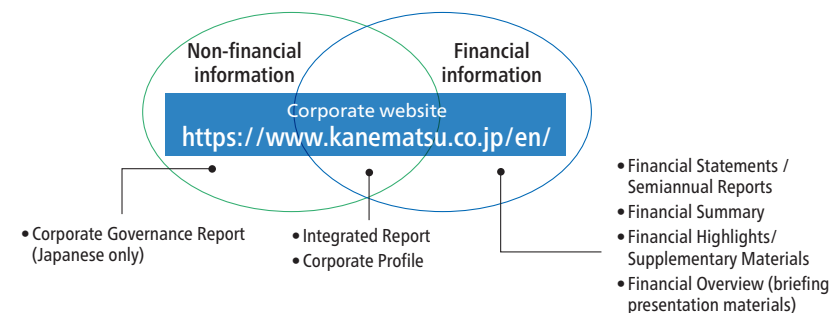
Stock Exchange Listings	Tokyo
Stock Code	8020
Transfer Agent for Common Stock	Sumitomo Mitsui Trust Bank, Limited
Shares Authorized	200,000,000
Shares Outstanding	84,500,202 (including 266,620 treasury shares)
Minimum Trading Unit	100
Number of Shareholders	46,245

Composition of Shareholders

Financial institutions	28.62%
Foreign institutions and individuals	35.94%
Individuals and others (including treasury shares)	24.90%
Other corporations	4.95%
Securities firms	5.59%



Kanematsu's Disclosure



IR Disclosure

The Kanematsu Group strives to ensure transparency and foster dialogue through prompt, accurate, and fair disclosure to all stakeholders.

- General Meeting of Shareholders (once a year)
- Financial Results Briefing (twice a year)
- Meetings of institutional investors and analysts with the President & CEO and/or CFO

Principal Shareholders

	Number of shares held (thousands)	Percentage of voting rights (%)
The Master Trust Bank of Japan, Ltd. (trust account)	14,490	17.20
Custody Bank of Japan, Ltd. (trust account)	5,743	6.81
STATE STREET BANK AND TRUST COMPANY 505001	3,643	4.32
STATE STREET BANK AND TRUST COMPANY 505223	1,484	1.76
MSIP CLIENT SECURITIES	1,391	1.65
JPMorgan Securities Japan Co., Ltd.	1,327	1.57
STATE STREET BANK WEST CLIENT - TREATY 505234	1,227	1.45
THE BANK OF NEW YORK MELLON 140044	1,206	1.43
JP MORGAN CHASE BANK 385781	1,159	1.37
STATE STREET BANK AND TRUST COMPANY 505103	1,079	1.28

Note: Calculated after deduction of treasury shares (266,620 shares)

Financial and ESG Highlights

(As of March 31)

(As of March 31)											Millions of yen ¹	Thousands of U.S. dollars ²
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2025
For the year:												
Revenue	¥704,211	¥668,374	¥675,579	¥714,790	¥723,849	¥721,802	¥649,142	¥767,963	¥911,408	¥985,993	¥1,050,936	\$7,028,737
Gross profit	87,880	86,238	100,139	106,371	110,014	110,904	101,515	111,801	130,894	142,557	155,007	1,036,702
Operating profit	23,547	18,772	22,633	26,160	30,349	28,352	23,635	29,347	38,896	43,870	42,051	281,247
Profit before tax	22,373	18,122	17,875	26,043	29,177	26,944	23,580	28,765	35,696	37,241	38,233	255,710
Profit for the year attributable to owners of the Parent ³	10,546	8,959	8,049	16,317	16,605	14,399	13,315	15,986	18,575	23,218	27,469	183,718
Cash flows from operating activities	6,758	33,024	11,852	434	24,698	24,259	36,984	15,382	(296)	35,582	58,329	390,110
Cash flows from investing activities	(6,649)	(4,214)	(14,691)	1,103	(6,575)	(10,215)	(9,927)	(10,547)	(16,684)	(12,423)	1,363	9,119
Free cash flow	109	28,810	(2,839)	1,537	18,123	14,044	27,057	4,835	(16,980)	23,159	59,693	399,229
At year-end:												
Total assets	466,314	443,592	479,717	519,889	549,459	551,671	557,495	634,456	677,588	725,347	689,337	4,610,338
Total equity	119,015	120,706	129,863	147,050	158,698	166,174	180,492	199,282	143,423	176,000	188,128	1,258,215
Total equity attributable to owners of the Parent	90,244	91,599	100,357	116,012	125,246	130,829	143,926	159,484	128,525	159,318	173,942	1,163,340
Net interest-bearing debt	72,155	48,813	55,429	59,045	49,969	51,807	40,520	51,242	147,948	159,425	120,336	804,815
Per share (yen):												
Net profit/Basic earnings attributable to owners of the Parent ³	¥ 125.49 ⁴	¥ 106.46 ⁴	¥ 95.64 ⁴	¥ 193.79 ⁴	¥ 198.22	¥ 172.43	¥ 159.44	¥ 191.42	¥ 222.38	¥ 277.90	¥ 328.95	\$ 2.20
Net assets/Total equity attributable to owners of the Parent	1,072.20 ⁴	1,088.45 ⁴	1,192.21 ⁴	1,377.66 ⁴	1,499.86	1,566.60	1,723.42	1,909.64	1,538.42	1,906.69	2,092.94	14.00
Dividends	4.00	5.00	6.00	48.00 ⁵	60.00	60.00	60.00	65.00	75.00	90.00	105.00	0.70
Financial indicators:												
Return on equity (ROE) (%)	13.0	9.9	8.4	15.1	13.8	11.2	9.7	10.5	12.9	16.1	16.5	
Equity ratio (%)	19.4	20.6	20.9	22.3	22.8	23.7	25.8	25.1	19.0	22.0	25.2	
Net D/E ratio (times)	0.8	0.5	0.6	0.5	0.4	0.4	0.3	0.3	1.15	1.00	0.69	

Financial and ESG Highlights

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
ESG (Non-Financial) Data:											
E	CO ₂ emissions (t-CO ₂) ^{6, 8}	—	—	—	—	—	29,500	29,497	28,321	26,569	26,928
	Total paper use (sheets) ^{7, 9}	6,645,797	6,087,765	6,256,363	5,920,960	5,510,121	4,919,786	3,099,900	2,503,625 ⁹	1,809,950 ⁹	1,143,661
	External disposal of waste (t) ^{7, 10}	33.40	31.90	32.70	29.50	35.00	34.43	42.20	36.18	29.46	16.69
	Recycled waste (t) ⁷	—	—	—	—	—	21.93	36.56	30.89	24.28	12.66
	Non-recycled waste (t) ⁷	—	—	—	—	—	12.50	5.64	5.29	5.18	4.03
	Hazardous waste disposal (t) ⁷	—	—	—	—	—	0	0	0	0	0
	Environment-related fines and penalties paid (yen) ⁷	—	—	—	—	—	0	0	0	0	0
	Violations related to water quality/volume ⁷	—	—	—	—	—	0	0	0	0	0
	Total electricity consumption (kWh) ⁶	—	—	—	—	—	—	41,031	42,556	42,843	43,818
S	Employees—consolidated	6,002	5,832	6,727	6,666	6,915	7,182	7,296	7,446	7,866	8,644
	Employees—non-consolidated (women)	813 (253)	816 (259)	835 (273)	842 (282)	765 (263)	775 (266)	795 (284)	788 (293)	798 (299)	821 (297)
	Percentage of women among employees—non-consolidated (%)	31	32	33	33	34	34	36	37	37	36
	Average length of service (years)	15.5	13.8	15.4	15.5	15.0	14.0	13.8	15.0	13.7	12.7
	Three-year job separation rate (%) ¹¹	3.5	4.8	5.2	9.4	10.5	17.1	14.3	—	—	—
	Average overtime worked (hours/month)	8.8	8.1	11.6	12.1	12.5	17.5	18.1	19.6	19.2	18.3
G	Directors (outside directors) ¹²	7(2)	7(2)	8(3)	8(3)	6(2)	6(2)	6(2)	7(3)	7(3)	7(3)
	Audit & Supervisory Board members ¹² (outside Audit & Supervisory Board members)	4(3)	4(3)	4(3)	4(3)	4(3)	4(2)	4(2)	4(2)	4(2)	4(2)

*1. Figures are rounded down to the nearest million yen. Percentages have been rounded off.

*2. The U.S. dollar amounts represent the arithmetical results of translating yen to dollars at the rate of ¥149.52 to U.S. \$1.00, the exchange rate prevailing on March 31, 2025.

*3. Profit for the year attributable to owners of the Parent

*4. Kanematsu executed a share consolidation on October 1, 2017, at a ratio of five common shares to one. The calculation of the above figures assumes that said share consolidation was implemented on April 1, 2014.

*5. Kanematsu executed a share consolidation on October 1, 2017, at a ratio of five common shares to one. The calculation of the above figures assumes that said share consolidation was implemented at the beginning of the fiscal year ended March 31, 2018.

*6. This is the consolidated total for the Kanematsu Group.

*7. The figures above are the totals for Kanematsu's domestic locations on a non-consolidated basis and are subject to change due to changes in office space due to the consolidation of branches or sales offices, etc.

*8. For a breakdown on Kanematsu's Scope 1 and 2 emissions, please refer to p. 60.

*9. For the years ended March 2021 and earlier, paper use was calculated based on sheets of paper (copy paper, envelopes, and business cards) purchased; from the year ended March 2022, it is calculated as sheets of copy paper (with all types converted to A4 equivalent) purchased.

*10. Waste generated from office activities at major locations is included in the calculations.

*11. The percentage of employees hired in the year in question who had left the Group as of three years later (for example, of the 42 employees hired in April 2015, 2 had left the Group as of April 2018, so the rate for the year ended March 31, 2016, is calculated as (2/42) x 100).

*12. As of the conclusion of the General Meeting of Shareholders following each fiscal year-end.

Management's Discussion and Analysis

Business Results

Revenue growth for the fiscal year ended March 31, 2025 was driven primarily by strong sales in the mobile business and a steady performance in the aerospace business, which includes aircraft and defense-related transactions. While the steel tubing business posted a decrease in profits due to sluggish market conditions and the recognition of impairment losses, both the mobile business and the iron and steel business—which had recorded impairment losses in the previous fiscal year—posted higher profits.

Revenue increased ¥64,943 million (6.6%) year on year to ¥1,050,936 million, while gross profit rose by ¥12,450 million (8.7%) to ¥155,007 million. Operating profit decreased ¥1,819 million (4.1%) to ¥42,051 million as a result of impairment losses on goodwill. In contrast, profit before tax rose ¥992 million (2.7%) to ¥38,233 million, primarily due to the absence of impairment losses recognized under the equity method in the previous year. Profit for the year attributable to owners of the Parent increased by ¥4,251 million (18.3%) to ¥27,469 million. Return on equity (ROE) calculated on the basis of total equity attributable to owners of the Parent (shareholders' equity) was 16.5%, and return on invested capital (ROIC)* was 7.6%.

* ROIC = Profit for the year attributable to owners of the Parent / Invested capital (Interest bearing debt + Shareholders' equity)

Segment Information

Results for each business segment are described on p. 42.

Analysis of Financial Status

Total assets at the end of the year under review decreased ¥36,010 million from the end of the previous fiscal year to ¥689,337 million.

Interest-bearing debt decreased ¥35,645 million from the end of the previous fiscal year to ¥178,901 million. Net interest-bearing debt after deducting cash and bank deposits, decreased ¥39,089 million from the end of the previous fiscal year to ¥120,336 million, mainly due to an increase in working capital. Interest-bearing debt does not include lease liabilities.

In terms of equity, total equity attributable to owners of the Parent rose ¥14,624 million from the end of the previous fiscal year to ¥173,942 million, mainly due to the accumulation of profit for the year attributable to owners of the Parent and an increase in other components of equity resulting from the depreciation of the yen and appreciation of the stock market.

As a result, the equity ratio at the end of the fiscal year under review was 25.2%. The net D/E ratio stood at 0.69 times.

Cash Flows

In the year under review, net cash provided by operating activities totaled ¥58,329 million. Net cash provided by investing activities amounted to ¥1,363 million. Net cash used in financing activities amounted to ¥54,658 million. As a result, after the effect of exchange rate changes on cash and cash equivalents, cash and cash equivalents at the end of the fiscal year under review stood at ¥56,779 million, up ¥3,348 million from the end of the previous fiscal year.

Fundraising

The Kanematsu Group carries out fundraising in line with a basic policy of stably procuring funds at low cost as needed to realize the enhancement of shareholder value, one of the tenets of its medium-term management plan, "integration 1.0." The Group raises funds primarily through indirect financing based on good relations with banks, life and non-life insurers, and other financial institutions. We also issue straight corporate bonds as a means of

raising long-term funds and raise funds from the capital market. During the year under review, we issued ¥12 billion in straight corporate bonds, procuring debt through direct financing that accounted for 12% of consolidated interest-bearing debt.

To facilitate capital procurement, Kanematsu receives ratings from Japan Credit Rating Agency, Ltd. (JCR) and Rating and Investment Information, Inc. (R&I). The Group's long-term ratings as of the end of the fiscal year under review improved one notch higher to A (stable) from JCR and maintaining an A- (stable) from R&I.

To secure liquidity on hand, the Group maintains an ample balance of cash and cash equivalents and has established commitment lines with major financial institutions, resulting in a current ratio of 142% for the current fiscal year.

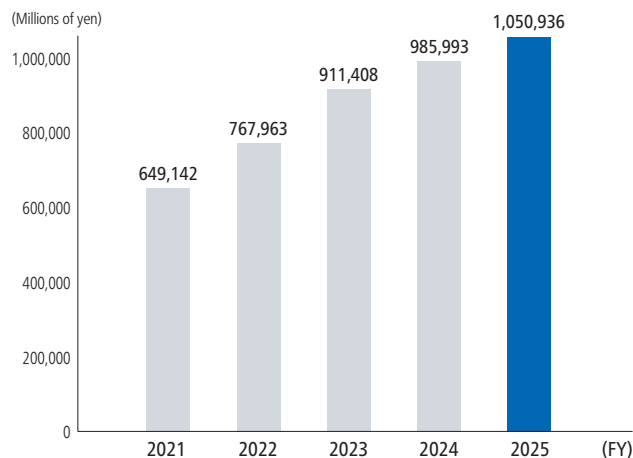
To efficiently procure capital on a consolidated basis, the Group has adopted a cash management system under which fundraising for major domestic subsidiaries and affiliates is concentrated at the Parent Company and proceeds are then allocated in response to capital requirements. At the end of the fiscal period under review, the Company's interest-bearing debt accounted for 74% of the consolidated Group's interest-bearing debt, a reflection of the majority of fund procurement being concentrated at the Parent Company.

As a result of the above fund-raising activities, at the end of the fiscal year under review, gross interest-bearing debt stood at ¥178,901 million, a decrease of ¥35,645 million from the end of the previous fiscal year. Net interest-bearing debt stood at ¥120,336 million, down ¥39,089 million from the end of the previous fiscal year. As a result, the net D/E ratio stood at 0.69.

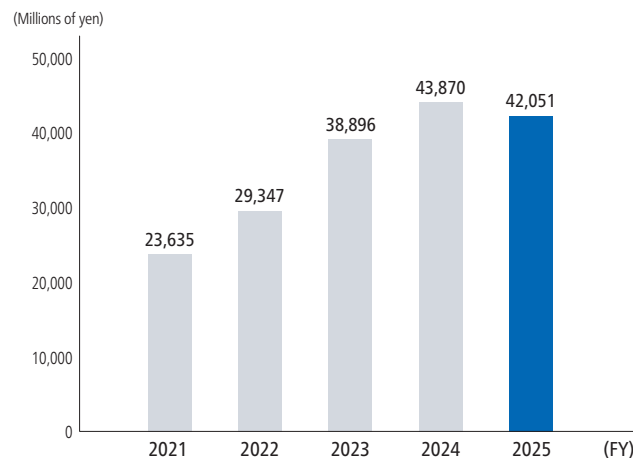
Corporate bonds and long-term borrowings (including the current portion of corporate bonds and long-term borrowings) accounted for 70% of the balance of interest-bearing debt at the end of the fiscal year under review (or 90% on a non-consolidated basis), and we have maintained a stable financing base through financing centered on long-term funds.

Management's Discussion and Analysis

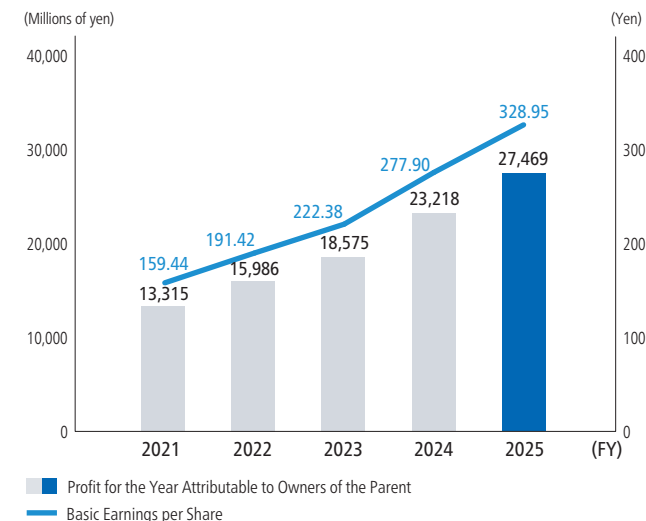
Revenue



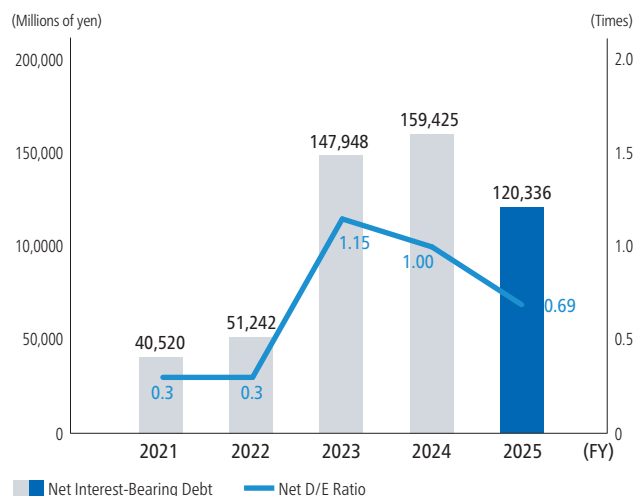
Operating Profit



Profit for the Year Attributable to Owners of the Parent / Basic Earnings per Share



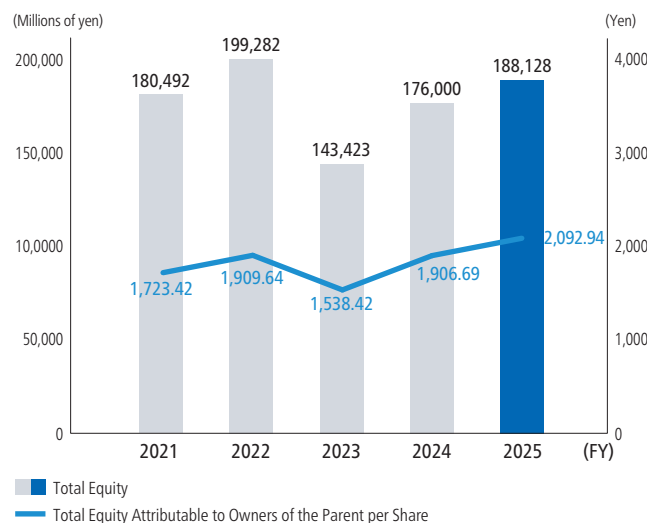
Net Interest-Bearing Debt*1 / Net D/E Ratio*2



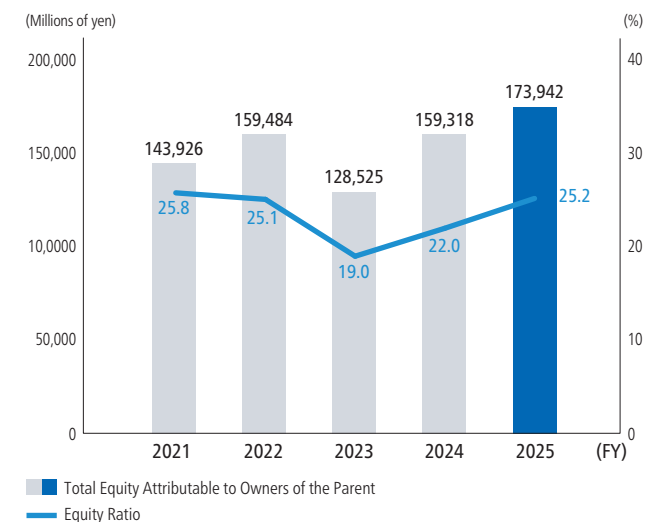
*1 Net interest-bearing debt = Interest-bearing debt - Cash and cash equivalents

*2 Net D/E ratio = Net interest-bearing debt / Total equity attributable to owners of the Parent

Total Equity / Total Equity Attributable to Owners of the Parent per Share



Total Equity Attributable to Owners of the Parent / Equity Ratio





For more information on this *Integrated Report*, or to obtain additional copies, please contact:

Kanematsu Corporation

7-2 Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-7017, Japan

<https://www.kanematsu.co.jp/en/inquiry>