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## Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 9, 2025

Company name: YOTAI REFRACTORIES CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 5357

URL: <https://www.yotai.co.jp/>

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Scheduled date of annual general meeting of shareholders: June 26, 2025

Scheduled date to commence dividend payments: June 27, 2025

Scheduled date to file annual securities report: June 27, 2025

Preparation of supplementary material on financial results: None

Holding of financial results briefing: Yes

President

Senior Managing Director, General Manager of General Affairs  
Department of Head Office

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	29,305	0.6	3,484	(3.3)	3,640	(1.7)	2,623	(32.4)
March 31, 2024	29,128	3.1	3,602	(10.2)	3,704	(10.6)	3,878	30.5

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 2,796 million [ (28.4) %]  
Fiscal year ended March 31, 2024: ¥ 3,903 million [ 16.5%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	141.66	-	8.0	8.7	11.9
March 31, 2024	205.48	-	12.2	9.0	12.4

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	41,379	32,948	79.6	1,796.97
March 31, 2024	42,531	32,531	76.5	1,747.58

(Reference) Equity: As of March 31, 2025: ¥ 32,948 million  
As of March 31, 2024: ¥ 32,531 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	4,431	(2,245)	(2,263)	6,412
March 31, 2024	3,864	(754)	(2,537)	6,460

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	25.00	-	60.00	85.00	1,582	41.4	5.1
March 31, 2025	-	45.00	-	45.00	90.00	1,674	63.5	5.1
Fiscal year ending March 31, 2026 (Forecast)	-	45.00	-	45.00	90.00		63.5	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	14,900	3.0	1,850	16.6	1,900	14.0	1,100	(6.4)	59.99
Full year	30,000	2.4	3,800	9.1	3,900	7.1	2,600	(0.9)	141.80

\* Notes:

(1) Significant changes in the scope of consolidation during the period:

None

Newly included: - (Company name: )  
Excluded: - (Company name: )

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2025: 19,594,000 shares  
March 31, 2024: 20,664,000 shares

2) Number of treasury shares at the end of the period:

March 31, 2025: 1,258,325 shares  
March 31, 2024: 2,049,069 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2025: 18,518,225 shares  
Fiscal Year ended March 31, 2024: 18,874,906 shares

Note: The number of shares of the Company held by the YOTAI Employee Shareholding Association Exclusive Trust Account (93,900 shares as of March 31, 2025) under the "Trust-type Employee Shareholding Incentive Plan (E-Ship)" is included in the number of treasury shares, which was to be deducted from the calculation of the total number of issued shares at the end of the period. For the purpose of calculating annual earnings per share, the Company's shares held by the trust are also included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (131,882 shares as of March 31, 2025).

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	29,305	1.3	3,351	(2.9)	3,506	(6.2)	2,522	(30.6)
March 31, 2024	28,926	2.4	3,452	(6.2)	3,738	(1.8)	3,632	30.6

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	136.21	-
March 31, 2024	192.44	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	41,141	32,705	79.5	1,783.72
March 31, 2024	42,478	32,585	76.7	1,750.53

(Reference) Equity: As of March 31, 2025: ¥ 32,705 million  
As of March 31, 2024: ¥ 32,585 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

#### 1) Operating Results for the Fiscal Year under Review

During the fiscal year under review (April 1, 2024 to March 31, 2025), the Japanese economy remained firm mostly due to internal demand, such as personal consumption and capital investments. Meanwhile, the outlook for the economy remains uncertain due to the turmoil of the global economy triggered by the Trump Administration's tariff policies, in addition to the prolonged situation in Ukraine and the Middle East.

In this climate, the Yotai Group made ceaseless efforts to maintain high profitability. Specifically, it worked to develop new products tailored to customer needs, increase technical service personnel, pursue active sales by leveraging expanded sales bases, strengthen the stable and low-cost supply system through the streamlining of facilities, promote health and productivity management in keeping with its safety-first motto, and reduce greenhouse gas emissions.

As a result, for the fiscal year under review, consolidated net sales increased by ¥176 million year on year to ¥29,305 million, marking a record-high for net sales.

Operating profit declined by ¥117 million to ¥3,484 million and ordinary profit fell by ¥63 million to ¥3,640 million, on a year-on-year basis.

Profit attributable to owners of parent for the fiscal year under review decreased by ¥1,255 million year on year to ¥2,623 million.

As for the year-end dividend for the fiscal year under review, after taking into account comprehensive factors such as the Company's financial position and operating results, the Company has decided to pay a dividend of ¥45 per share.

As a result, together with the interim dividend of ¥45 per share paid in December 2024, the annual dividends will be ¥90 per share, an increase of ¥5 compared to the previous fiscal year.

Financial results by reportable segment were as described below.

#### (Refractories)

For the fiscal year under review, the refractories business recorded net sales of ¥24,167 million, up 0.9% year on year, and segment profit of ¥4,723 million, up 2.5% year on year, primarily benefitting from increased orders from industries other than steel.

#### (Engineering)

For the fiscal year under review, the engineering business recorded net sales of ¥5,138 million, down 0.8% year on year, and segment profit of ¥716 million, down 13.9% year on year, owing partly to decreased orders from industries other than steel.

### (2) Overview of Financial Position for the Fiscal Year under Review

#### 1) Status of assets, liabilities and net assets

Total assets amounted to ¥41,379 million, a decline of ¥1,152 million compared to the end of the previous fiscal year. This was primarily attributable to a decrease in notes and accounts receivable - trade, despite an increase in buildings and structures. Liabilities stood at ¥8,430 million, a decline of ¥1,569 million compared to the end of the previous fiscal year. This was chiefly owing to decreases in income taxes payable and accrued expenses.

Net assets came to ¥32,948 million, an increase of ¥417 million compared to the end of the previous fiscal year. This was mainly attributable to a decrease in treasury shares.

As a result, the equity ratio rose by 3.1 percentage points from 76.5% at the end of the previous fiscal year to 79.6%. Based on that, the Group considers its financial position to be generally sound.

### (3) Overview of Cash Flows for the Fiscal Year under Review

The Goup's cash and cash equivalents at the end of the fiscal year under review amounted to ¥6,412 million, a decrease of ¥47 million compared to the end of the previous fiscal year. The status of respective cash flows was as stated below.

#### (Cash flows from operating activities)

Net cash provided by operating activities for the fiscal year under review amounted to ¥4,431 million (an increase of ¥567 million year on year). This was primarily because of ¥3,698 million in profit before income taxes and ¥1,384 million in depreciation, which cancelled out outlay factors such as ¥1,585 million for income taxes paid.

The year-on-year increase in net cash provided by operating activities was chiefly caused by the difference between the decrease and increase in trade receivables.

#### (Cash flows from investing activities)

Net cash used in investing activities for the fiscal year under review amounted to ¥2,245 million (an increase of ¥1,491 million year on year). This was mainly owing to ¥2,292 million for purchase of property, plant and equipment.

The year-on-year rise in net cash used in investing activities was chiefly caused by a decrease in proceeds from sale of investment securities.

#### (Cash flows from financing activities)

Net cash used in financing activities for the fiscal year under review amounted to ¥2,263 million (a decrease of ¥273 million year on year). This was principally attributable to ¥1,958 million for dividends paid.

The year-on-year decline in net cash used in financing activities was chiefly caused by a decrease in purchase of treasury shares.

#### (Reference) Cash Flow Indicators

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio (%)	82.0	77.7	78.4	76.5	79.6
Equity ratio based on market value (%)	63.2	67.0	75.2	64.3	75.3
Interest coverage ratio (times)	7,566.3	761.1	6,224.6	9,223.4	15,916.3

Equity ratio: Equity/Total assets

Equity ratio based on market value: Market capitalization/Total assets

Interest coverage ratio: Operating cash flows/Interest payments

(Notes) 1. All indicators are calculated based on consolidated financial figures.

2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the total number of issued shares at the end of the fiscal year (after deduction of treasury shares).

3. Operating cash flows and interest payments represent "Net cash provided by (used in) operating activities" and "Interest paid" reported in the Consolidated Statements of Cash Flows.

#### (4) Future Outlook

In terms of the future economic outlook, while the domestic economy remains on a moderate recovery trend, the global economy is expected to face continued uncertainty, as rising geopolitical risks and the slowdown of the Chinese economy, as well as rising prices, including the prices of resources and energy, brought on by the tariff policies of the Trump Administration and sharp interest rate/exchange rate volatility may impact economic activities.

To address this situation, the Group will expand sales of new high-value-added products, respond to the 2024 problem, improve the quality of products and services, develop new sources of revenue through overseas expansion and the strengthening of its R&D system, promote rationalization and efficiency through continuous reinforcement of its production system, and ultimately ensure the stable and sustainable stockpiling of raw materials, thereby enhancing its corporate value.

For the consolidated financial results forecast for the fiscal year ending March 31, 2026, the Group projects consolidated net sales of ¥30,000 million, operating profit of ¥3,800 million, ordinary profit of ¥3,900 million, and profit attributable to owners of parent of ¥2,600 million. It should be noted that the above forecast and other forward-looking statements are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and actual results may differ significantly due to various factors.

#### (5) Significant Events Relating to Going Concern Assumption

Not applicable.

## 2. Basic Policy on Selection of Accounting Standards

The majority of the Group's stakeholders, including shareholders, creditors, and business partners, are based in Japan, and the Group has limited need for fundraising overseas. Accordingly, it prepares its financial statements in accordance with Japanese Generally Accepted Accounting Principles (JGAAP).

As for the adoption of the International Financial Reporting Standards (IFRS), the Group intends to respond appropriately in consideration of relevant circumstances both in Japan and overseas and the trends of its peers.

### 3.Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	6,460,021	6,412,094
Notes and accounts receivable - trade	11,104,208	9,298,203
Contract assets	91,858	75,904
Electronically recorded monetary claims - operating	1,831,958	2,014,581
Finished goods	5,400,928	5,203,930
Work in process	372,916	309,547
Raw materials and supplies	5,851,161	6,100,163
Other	150,897	171,554
Allowance for doubtful accounts	(4,741)	(1,800)
Total current assets	31,259,209	29,584,180
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,930,811	3,612,426
Machinery, equipment and vehicles, net	2,199,465	2,279,838
Land	1,423,028	1,422,875
Construction in progress	490,628	371,562
Other, net	654,096	566,859
Total property, plant and equipment	7,698,030	8,253,562
Intangible assets	348,873	321,724
Investments and other assets		
Investment securities	3,093,605	3,085,052
Other	132,549	135,503
Allowance for doubtful accounts	(850)	(850)
Total investments and other assets	3,225,304	3,219,705
Total non-current assets	11,272,208	11,794,992
Total assets	42,531,417	41,379,172



(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,190,467	1,981,577
Electronically recorded obligations - operating	2,371,568	2,397,671
Accounts payable - other	568,386	175,501
Accrued expenses	1,659,189	1,472,539
Income taxes payable	912,541	410,444
Provision for bonuses for directors (and other officers)	37,250	40,940
Other	542,837	229,017
Total current liabilities	8,282,240	6,707,692
Non-current liabilities		
Long-term borrowings	-	170,090
Deferred tax liabilities	31,364	106,983
Retirement benefit liability	1,499,893	1,280,599
Other	186,874	165,086
Total non-current liabilities	1,718,131	1,722,759
<b>Total liabilities</b>	<b>10,000,372</b>	<b>8,430,452</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,654,519	2,654,519
Capital surplus	1,710,876	1,710,876
Retained earnings	28,888,103	28,556,746
Treasury shares	(2,145,303)	(1,569,311)
Total shareholders' equity	31,108,195	31,352,830
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,473,410	1,474,856
Deferred gains or losses on hedges	17,428	(8,199)
Foreign currency translation adjustment	446	33,713
Remeasurements of defined benefit plans	(68,435)	95,519
Total accumulated other comprehensive income	1,422,849	1,595,889
<b>Total net assets</b>	<b>32,531,045</b>	<b>32,948,720</b>
<b>Total liabilities and net assets</b>	<b>42,531,417</b>	<b>41,379,172</b>

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	29,128,557	29,305,404
Cost of sales	22,942,714	23,074,775
Gross profit	6,185,842	6,230,629
Selling, general and administrative expenses	2,583,773	2,746,182
Operating profit	3,602,068	3,484,446
Non-operating income		
Interest income	9,706	9,535
Dividend income	113,249	100,887
Rental income from real estate	17,215	17,825
Foreign exchange gains	7,326	2,153
Subsidy income	-	23,462
Gain on sale of scraps	17,109	14,362
Other	7,809	14,205
Total non-operating income	172,416	182,432
Non-operating expenses		
Interest expenses	418	278
Commission for purchase of treasury shares	28,356	699
Loss on retirement of non-current assets	38,898	22,867
Other	2,441	2,638
Total non-operating expenses	70,115	26,483
Ordinary profit	3,704,369	3,640,395
Extraordinary income		
Gain on sale of investment securities	676,626	77,883
Gain on sale of investments in capital of subsidiaries and associates	923,286	-
Total extraordinary income	1,599,913	77,883
Extraordinary losses		
Tender offer related expenses	-	20,000
Total extraordinary losses	-	20,000
Profit before income taxes	5,304,282	3,698,279
Income taxes - current	1,454,209	1,096,301
Income taxes - deferred	(28,349)	(21,239)
Total income taxes	1,425,860	1,075,061
Profit	3,878,422	2,623,217
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	3,878,422	2,623,217

# Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	3,878,422	2,623,217
Other comprehensive income		
Valuation difference on available-for-sale securities	374,838	1,446
Deferred gains or losses on hedges	25,548	(25,628)
Foreign currency translation adjustment	(344,971)	33,266
Remeasurements of defined benefit plans, net of tax	(30,379)	163,955
Total other comprehensive income	25,036	173,040
Comprehensive income	3,903,458	2,796,258
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,903,458	2,796,258
Comprehensive income attributable to non-controlling interests	-	-

## (3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,654,519	1,802,929	29,005,082	(3,795,179)	29,667,352
Changes during period					
Dividends of surplus			(956,741)		(956,741)
Transfer from retained earnings to capital surplus		3,038,659	(3,038,659)		-
Profit attributable to owners of parent			3,878,422		3,878,422
Purchase of treasury shares				(1,500,121)	(1,500,121)
Disposal of treasury shares		6,293		12,990	19,284
Cancellation of treasury shares		(3,137,006)		3,137,006	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(92,053)	(116,979)	1,649,875	1,440,842
Balance at end of period	2,654,519	1,710,876	28,888,103	(2,145,303)	31,108,195

	Accumulated other comprehensive income					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	1,098,572	(8,120)	345,417	(38,056)	1,397,813	31,065,165
Changes during period						
Dividends of surplus						(956,741)
Transfer from retained earnings to capital surplus						-
Profit attributable to owners of parent						3,878,422
Purchase of treasury shares						(1,500,121)
Disposal of treasury shares						19,284
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	374,838	25,548	(344,971)	(30,379)	25,036	25,036
Total changes during period	374,838	25,548	(344,971)	(30,379)	25,036	1,465,879
Balance at end of period	1,473,410	17,428	446	(68,435)	1,422,849	32,531,045

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,654,519	1,710,876	28,888,103	(2,145,303)	31,108,195
Changes during period					
Dividends of surplus			(1,962,401)		(1,962,401)
Transfer from retained earnings to capital surplus		992,173	(992,173)		-
Profit attributable to owners of parent			2,623,217		2,623,217
Purchase of treasury shares				(849,868)	(849,868)
Disposal of treasury shares		128,009		305,677	433,687
Cancellation of treasury shares		(1,120,183)		1,120,183	-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(331,357)	575,992	244,635
Balance at end of period	2,654,519	1,710,876	28,556,746	(1,569,311)	31,352,830

	Accumulated other comprehensive income					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	1,473,410	17,428	446	(68,435)	1,422,849	32,531,045
Changes during period						
Dividends of surplus						(1,962,401)
Transfer from retained earnings to capital surplus						-
Profit attributable to owners of parent						2,623,217
Purchase of treasury shares						(849,868)
Disposal of treasury shares						433,687
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	1,446	(25,628)	33,266	163,955	173,040	173,040
Total changes during period	1,446	(25,628)	33,266	163,955	173,040	417,675
Balance at end of period	1,474,856	(8,199)	33,713	95,519	1,595,889	32,948,720

## (4) Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	5,304,282	3,698,279
Depreciation	1,184,340	1,384,470
Increase (decrease) in allowance for doubtful accounts	(18,491)	(2,941)
Increase (decrease) in retirement benefit liability	5,639	12,416
Interest and dividend income	(122,956)	(110,423)
Interest expenses	418	278
Gain on sale of shares of subsidiaries and affiliates	(923,286)	-
Tender offer-related expenses	-	20,000
Loss (gain) on sale of investment securities	(676,626)	(77,883)
Decrease (increase) in trade receivables	(614,251)	1,628,276
Decrease (increase) in inventories	(203,741)	11,364
Increase (decrease) in trade payables	270,780	(246,320)
Increase (decrease) in provision for bonuses for directors (and other officers)	2,450	3,690
Other, net	690,990	(394,756)
Subtotal	4,899,548	5,926,449
Interest and dividends received	122,956	110,423
Interest paid	(418)	(278)
Income taxes paid	(1,157,694)	(1,585,149)
Tender Offer-Related Expenses paid	-	(20,000)
Net cash provided by (used in) operating activities	3,864,391	4,431,444
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,942,806)	(2,292,486)
Payments for retirement of property, plant and equipment	(24,470)	(17,390)
Purchase of intangible assets	(246,628)	(53,583)
Purchase of investment securities	(17,359)	(17,598)
Proceeds from sale of investment securities	885,217	135,129
Proceeds from sales of investments in capital of subsidiaries and associates resulting in change in scope of consolidation	591,544	-
Net cash provided by (used in) investing activities	(754,502)	(2,245,929)
Cash flows from financing activities		
Proceeds from long-term borrowings	-	290,000
Repayments of long-term borrowings	-	(119,910)
Purchase of treasury shares	(1,528,478)	(849,868)
Proceeds from disposal of treasury shares	-	406,550
Dividends paid	(959,128)	(1,958,030)
Other, net	(49,419)	(32,383)
Net cash provided by (used in) financing activities	(2,537,026)	(2,263,641)
Effect of exchange rate change on cash and cash equivalents	46,120	30,199
Net increase (decrease) in cash and cash equivalents	618,982	(47,927)
Cash and cash equivalents at beginning of period	5,841,039	6,460,021
Cash and cash equivalents at end of period	6,460,021	6,412,094

## (5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

The Company canceled 1,070,000 treasury shares in accordance with the resolution of the Board of Directors' meeting held on April 19, 2024.

In addition, the Company disposed of 163,100 treasury shares through a private placement when it introduced an Employee Shareholding Incentive Plan (E-Ship), pursuant to the resolution of the Board of Directors' meeting held on May 16, 2024.

Then, the Company purchased 359,000 treasury shares in accordance with the resolution of the Board of Directors' meeting held on November 14, 2024.

These led to decreases of ¥564 million in treasury shares and of ¥1,001 million in retained earnings.

As a result of these and other developments, treasury shares of ¥1,569 million, capital surplus of ¥1,710 million, and retained earnings of ¥28,556 million are recognized on the consolidated balance sheet at the end of the fiscal year under review.

(Additional information)

(Transactions to deliver Company shares to employees, etc. through a trust)

In accordance with the resolution of the Board of Directors' meeting held on May 16, 2024, the Company introduced an Employee Shareholding Incentive Plan, or E-Ship, (the "Plan") as part of human capital management with three goals: incentivizing employees to increase the Company's value over the medium to long term; enhancing the employee benefit package; and helping the Company grow consistently by motivating employees to work even harder through equity participation as shareholders.

### (1) Transaction overview

The Plan is designed to incentivize all the employees participating in the Yotai Employee Shareholding Association (the "Association") through the following transactions: First, the Company opened a trust account ("E-Ship Trust") dedicated to the Association at a trust bank. Then, the E-Ship Trust acquired in advance Company shares in the number expected to be obtained over the next three years by the Association, through a private placement from the Company and using funds borrowed from a partner financial institution. Hereafter, the E-Ship Trust will sell the Company shares to the Association on a recurring basis. When the E-Ship Trust is terminated, an amount corresponding to gains on sale of shares accumulated in the trust up to that time, if any, will be distributed as residual assets to persons meeting the beneficiary eligibility requirements. Note that the Company has guaranteed the debt taken out by the E-Ship Trust to acquire Company shares. Therefore, in the event that the falling share price of the Company leads to an amount corresponding to losses on sale of shares accumulated in the E-Ship Trust and that the trust at the time of its termination has an outstanding debt in the amount corresponding to such losses on sale of shares, it will be the Company to repay the outstanding debt.

### (2) Company shares remaining in the trust

The Company shares remaining in the trust are recognized as treasury shares in the net assets section at their carrying amount (net of ancillary expenses) in the trust. The carrying amount and the number of treasury shares at the end of the fiscal year under review were ¥166 million and 93,900 shares, respectively.

### (3) Carrying amount of debt recognized applying the gross method

¥170 million at the end of the fiscal year under review

(Segment information, etc.)

1. Overview of reportable segments

The reportable segments of the Company are the Company's components, for which separate financial information is available and that are regularly reviewed by the Board of Directors for the decision of resource allocation and the evaluation of performance.

The Company basically comprises the refractories business and the engineering business. It formulates comprehensive domestic and overseas strategies and conducts business activities for each business unit.

Accordingly, the Company classifies "refractories" and "engineering" as its two reporting segments.

The refractories segment engages in the manufacture and sale of fireproof bricks by different types of materials such as alkaline bricks, high alumina-made bricks, clay-made bricks, silica bricks mainly for the steel industry, the nonferrous industry, the cement industry, the glass industry, and others such as ceramic and environmental system-related furnaces, as well as monolithic refractories. The engineering segment designs and constructs various industrial furnaces that use refractories as well as environmental equipment, and also contracts maintenance services as required.

2. Calculation method used for determining the amounts of net sales, profit or loss, assets, and other items of reportable segments

The accounting methods applied to the reportable business segments are the same as those used in the preparation of the consolidated financial statements. Segment profits are based on operating profit.



## 3. Information on net sales, profit or loss, assets, and other items of reportable segments

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

	Reportable segment			Other	Total
	Refractories	Engineering	Total		
Net sales					
Revenue from contracts with customers	23,949,621	5,178,935	29,128,557	—	29,128,557
Net sales to outside customers	23,949,621	5,178,935	29,128,557	—	29,128,557
(Disaggregation by industry)					
Steel	12,331,332	592,375	12,923,707	—	12,923,707
Other	11,618,288	4,586,560	16,204,849	—	16,204,849
Intersegment net sales or transfers	—	—	—	—	—
Total	23,949,621	5,178,935	29,128,557	—	29,128,557
Segment profit	4,606,974	831,986	5,438,960	—	5,438,960
Segment assets	27,945,443	2,313,083	30,258,526	—	30,258,526
Other items					
Depreciation	1,134,383	22,430	1,156,813	—	1,156,813
Increase in property, plant and equipment and intangible assets	2,009,578	65,311	2,074,889	—	2,074,889

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Thousands of yen)

	Reportable segment			Other	Total
	Refractories	Engineering	Total		
Net sales					
Revenue from contracts with customers	24,167,070	5,138,334	29,305,404	—	29,305,404
Net sales to outside customers	24,167,070	5,138,334	29,305,404	—	29,305,404
(Disaggregation by industry)					
Steel	12,031,932	665,174	12,697,106	—	12,697,106
Other	12,135,137	4,473,160	16,608,297	—	16,608,297
Intersegment net sales or transfers	—	—	—	—	—
Total	24,167,070	5,138,334	29,305,404	—	29,305,404
Segment profit	4,723,278	716,319	5,439,598	—	5,439,598
Segment assets	27,763,895	1,985,853	29,749,748	—	29,749,748
Other items					
Depreciation	1,313,797	27,871	1,341,668	—	1,341,668
Increase in property, plant and equipment and intangible assets	2,293,435	16,148	2,309,584	—	2,309,584

4. Difference between the total amount of reportable segments and the amounts recognized on the consolidated financial statements, and the main details of such differences (matters related to difference reconciliation)

(Thousands of yen)

Net sales	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segments total	29,128,557	29,305,404
Net sales of the “Other” category	—	—
Elimination of intersegment transactions	—	—
Net sales on the consolidated financial statements	29,128,557	29,305,404

(Thousands of yen)

Profit	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segments total	5,438,960	5,439,598
Profit of the “Other” category	—	—
Elimination of intersegment transactions	—	—
Corporate expenses <sup>(Note)</sup>	(1,836,891)	(1,955,151)
Operating profit on the consolidated financial statements	3,602,068	3,484,446

Note: Corporate expenses mainly comprise general and administrative expenses not attributable to any reportable segment.

(Thousands of yen)

Assets	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Reportable segments total	30,258,526	29,749,748
Assets of the “Other” category	—	—
Elimination of intersegment transactions	—	—
Corporate assets <sup>(Note)</sup>	12,272,890	11,629,424
Total assets on the consolidated financial statements	42,531,417	41,379,172

Note: Corporate assets mainly comprise surplus funds (cash and deposits), long-term investments (investment securities), and other assets of the administrative division that are not attributable to any reportable segment.

(Thousands of yen)

Other items	Reportable segments total		Other		Adjustment		Amount recognized on consolidated financial statements	
	FY ended March 31, 2024	FY ended March 31, 2025	FY ended March 31, 2024	FY ended March 31, 2025	FY ended March 31, 2024	FY ended March 31, 2025	FY ended March 31, 2024	FY ended March 31, 2025
Depreciation	1,156,813	1,341,668	—	—	27,527	42,801	1,184,340	1,384,470
Increase in property, plant and equipment and intangible assets	2,074,889	2,309,584	—	—	114,544	36,485	2,189,434	2,346,069

Note: Adjustment of increase in property, plant and equipment and intangible assets comprises the amounts of capital investments of the head office administrative division, etc.

## (Per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	¥1,747.58	¥1,796.97
Basic earnings per share	¥205.48	¥141.66

- (Notes)
1. Diluted earnings per share are not presented as there were no residual shares of dilutive effects.
  2. Starting from the first quarter of the fiscal year ended March 31, 2025, the Company introduced the “Trust-type Employee Shareholding Incentive Plan (E-Ship).” Accordingly, for the purpose of calculating basic earnings per share, the Company’s shares held by the YOTAI Employee Shareholding Association Exclusive Trust Account are included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (131,882 shares as of March 31, 2025).
  3. The basis for the calculation of basic earnings per share is as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit attributable to owners of parent (Thousands of yen)	3,878,422	2,623,217
Amount not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent relating to common shares (Thousands of yen)	3,878,422	2,623,217
Average number of common shares outstanding during the period (Shares)	18,874,906	18,518,225

## (Significant subsequent events)

Not applicable.

## 4.Non-consolidated Financial Statements and Principal Notes

### (1) Non-consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	6,171,436	5,928,866
Notes receivable - trade	304,524	104,428
Electronically recorded monetary claims - operating	1,831,958	2,014,581
Accounts receivable - trade	10,728,797	9,160,528
Contract assets	91,858	75,904
Finished goods	5,443,672	5,252,565
Work in process	372,916	309,547
Raw materials and supplies	5,851,161	6,100,163
Prepaid expenses	52,753	43,593
Other	124,315	127,466
Allowance for doubtful accounts	(4,741)	(1,800)
Total current assets	30,968,652	29,115,846
Non-current assets		
Property, plant and equipment		
Buildings, net	2,013,605	2,273,800
Structures, net	859,473	1,278,136
Machinery and equipment, net	2,114,058	2,214,102
Vehicles, net	82,272	63,207
Tools, furniture and fixtures, net	454,735	396,974
Land	1,423,028	1,422,875
Leased assets, net	199,360	169,885
Construction in progress	490,628	371,562
Total property, plant and equipment	7,637,163	8,190,544
Intangible assets		
Software	343,306	303,111
Software in progress	979	8,555
Right to use facilities	4,588	4,559
Total intangible assets	348,873	316,226
Investments and other assets		
Investment securities	3,093,605	3,085,052
Investments in capital	73	73
Investments in capital of subsidiaries and associates	298,800	298,800
Long-term prepaid expenses	43,326	32,120
Facility membership	50,890	50,890
Other	38,259	52,420
Allowance for doubtful accounts	(850)	(850)
Total investments and other assets	3,524,104	3,518,505
Total non-current assets	11,510,141	12,025,276
<b>Total assets</b>	<b>42,478,793</b>	<b>41,141,122</b>

(Thousands of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,120,087	1,889,299
Electronically recorded obligations - operating	2,371,568	2,397,671
Accounts payable - other	576,964	175,288
Accrued expenses	1,656,945	1,470,269
Income taxes payable	911,235	404,100
Accrued consumption taxes	257,935	142,545
Contract liabilities	227,750	2,667
Advances received	792	6,900
Deposits received	39,526	33,730
Provision for bonuses for directors (and other officers)	37,250	40,940
Other	32,383	41,636
Total current liabilities	8,232,439	6,605,050
Non-current liabilities		
Long-term borrowings	-	170,090
Deferred tax liabilities	72,083	70,717
Provision for retirement benefits	1,401,424	1,424,544
Other	186,874	165,086
Total non-current liabilities	1,660,381	1,830,438
<b>Total liabilities</b>	<b>9,892,820</b>	<b>8,435,488</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,654,519	2,654,519
Capital surplus		
Legal capital surplus	1,710,876	1,710,876
Total capital surplus	1,710,876	1,710,876
Retained earnings		
Legal retained earnings	455,231	455,231
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	336,370	312,231
General reserve	4,300,000	4,300,000
Retained earnings brought forward	23,783,439	23,375,429
Total retained earnings	28,875,041	28,442,892
Treasury shares	(2,145,303)	(1,569,311)
Total shareholders' equity	31,095,133	31,238,977
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	1,473,410	1,474,856
Deferred gains or losses on hedges	17,428	(8,199)
Total valuation and translation adjustments	1,490,839	1,466,656
<b>Total net assets</b>	<b>32,585,973</b>	<b>32,705,633</b>
<b>Total liabilities and net assets</b>	<b>42,478,793</b>	<b>41,141,122</b>

## (2) Non-consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	28,926,327	29,305,404
Cost of sales	23,061,751	23,304,965
Gross profit	5,864,575	6,000,439
Selling, general and administrative expenses	2,411,589	2,649,033
Operating profit	3,452,986	3,351,405
Non-operating income		
Interest income	6,727	8,684
Dividend income	289,721	100,887
Rental income from real estate	17,215	17,825
Foreign exchange gains	7,326	2,153
Subsidy income	-	23,462
Gain on sale of scraps	17,109	14,362
Other	7,892	14,205
Total non-operating income	345,991	181,581
Non-operating expenses		
Interest expenses	418	278
Commission for purchase of treasury shares	28,356	699
Loss on retirement of non-current assets	29,593	22,867
Other	1,371	2,506
Total non-operating expenses	59,740	26,351
Ordinary profit	3,739,236	3,506,636
Extraordinary income		
Gain on sale of investment securities	676,367	77,883
Gain on sale of investments in capital of subsidiaries and associates	606,925	-
Total extraordinary income	1,283,292	77,883
Extraordinary losses		
Tender offer related expenses	-	20,000
Total extraordinary losses	-	20,000
Profit before income taxes	5,022,529	3,564,520
Income taxes - current	1,439,968	1,061,861
Income taxes - deferred	(49,634)	(19,766)
Total income taxes	1,390,334	1,042,094
Profit	3,632,195	2,522,425

## (3) Non-consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	2,654,519	1,710,876	92,053	1,802,929
Changes during period				
Dividends of surplus				
Transfer from retained earnings to capital surplus			3,038,659	3,038,659
Profit				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Purchase of treasury shares				
Disposal of treasury shares			6,293	6,293
Cancellation of treasury shares			(3,137,006)	(3,137,006)
Net changes in items other than shareholders' equity				
Total changes during period	-	-	(92,053)	(92,053)
Balance at end of period	2,654,519	1,710,876	-	1,710,876

	Shareholders' equity				
	Retained earnings				
	Legal retained earnings	Other retained earnings			Total retained earnings
		Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	455,231	357,386	4,300,000	24,125,629	29,238,247
Changes during period					
Dividends of surplus				(956,741)	(956,741)
Transfer from retained earnings to capital surplus				(3,038,659)	(3,038,659)
Profit				3,632,195	3,632,195
Reversal of reserve for tax purpose reduction entry of non-current assets		(21,015)		21,015	-
Purchase of treasury shares					
Disposal of treasury shares					
Cancellation of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	(21,015)	-	(342,190)	(363,206)
Balance at end of period	455,231	336,370	4,300,000	23,783,439	28,875,041

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(3,795,179)	29,900,518	1,098,572	(8,120)	1,090,452	30,990,970
Changes during period						
Dividends of surplus		(956,741)				(956,741)
Transfer from retained earnings to capital surplus		-				-
Profit		3,632,195				3,632,195
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Purchase of treasury shares	(1,500,121)	(1,500,121)				(1,500,121)
Disposal of treasury shares	12,990	19,284				19,284
Cancellation of treasury shares	3,137,006	-				-
Net changes in items other than shareholders' equity			374,838	25,548	400,386	400,386
Total changes during period	1,649,875	1,194,615	374,838	25,548	400,386	1,595,002
Balance at end of period	(2,145,303)	31,095,133	1,473,410	17,428	1,490,839	32,585,973



For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity			
	Share capital	Capital surplus		
		Legal capital surplus	Other capital surplus	Total capital surplus
Balance at beginning of period	2,654,519	1,710,876	-	1,710,876
Changes during period				
Dividends of surplus				
Transfer from retained earnings to capital surplus			992,173	992,173
Profit				
Reversal of reserve for tax purpose reduction entry of non-current assets				
Purchase of treasury shares				
Disposal of treasury shares			128,009	128,009
Cancellation of treasury shares			(1,120,183)	(1,120,183)
Net changes in items other than shareholders' equity				
Total changes during period	-	-	-	-
Balance at end of period	2,654,519	1,710,876	-	1,710,876

	Shareholders' equity				
	Retained earnings				
	Legal retained earnings	Other retained earnings			Total retained earnings
		Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward	
Balance at beginning of period	455,231	336,370	4,300,000	23,783,439	28,875,041
Changes during period					
Dividends of surplus				(1,962,401)	(1,962,401)
Transfer from retained earnings to capital surplus				(992,173)	(992,173)
Profit				2,522,425	2,522,425
Reversal of reserve for tax purpose reduction entry of non-current assets		(24,138)		24,138	-
Purchase of treasury shares					
Disposal of treasury shares					
Cancellation of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	(24,138)	-	(408,009)	(432,148)
Balance at end of period	455,231	312,231	4,300,000	23,375,429	28,442,892

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(2,145,303)	31,095,133	1,473,410	17,428	1,490,839	32,585,973
Changes during period						
Dividends of surplus		(1,962,401)				(1,962,401)
Transfer from retained earnings to capital surplus		-				-
Profit		2,522,425				2,522,425
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Purchase of treasury shares	(849,868)	(849,868)				(849,868)
Disposal of treasury shares	305,677	433,687				433,687
Cancellation of treasury shares	1,120,183	-				-
Net changes in items other than shareholders' equity			1,446	(25,628)	(24,182)	(24,182)
Total changes during period	575,992	143,843	1,446	(25,628)	(24,182)	119,660
Balance at end of period	(1,569,311)	31,238,977	1,474,856	(8,199)	1,466,656	32,705,633

(4) Notes to Non-consolidated Financial Statements

(Per share information)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	¥1,750.53	¥1,783.72
Basic earnings per share	¥192.44	¥136.21

- (Notes)
1. Diluted earnings per share are not presented as there were no residual shares of dilutive effects.
  2. Starting from the first quarter of the fiscal year ended March 31, 2025, the Company introduced the “Trust-type Employee Shareholding Incentive Plan (E-Ship).” Accordingly, for the purpose of calculating basic earnings per share, the Company’s shares held by the YOTAI Employee Shareholding Association Exclusive Trust Account are included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (131,882 shares as of March 31, 2025).
  3. The basis for the calculation of basic earnings per share is as follows:

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit (Thousands of yen)	3,632,195	2,522,425
Amount not attributable to common shareholders (Thousands of yen)	—	—
Profit relating to common shares (Thousands of yen)	3,632,195	2,522,425
Average number of common shares outstanding during the period (Shares)	18,874,906	18,518,225