

YOTAI REFRACTORIES CO., LTD.

FY2025

Financial Results Briefing Materials

May 30, 2025

TSE Prime Market: 5357

Takeover Bid by ASNF HOLDINGS and Changes in Major Shareholders

Expressing approval for ASNF HOLDINGS' takeover bid for YOTAI REFRATORIES' shares

Overview of the tenderer

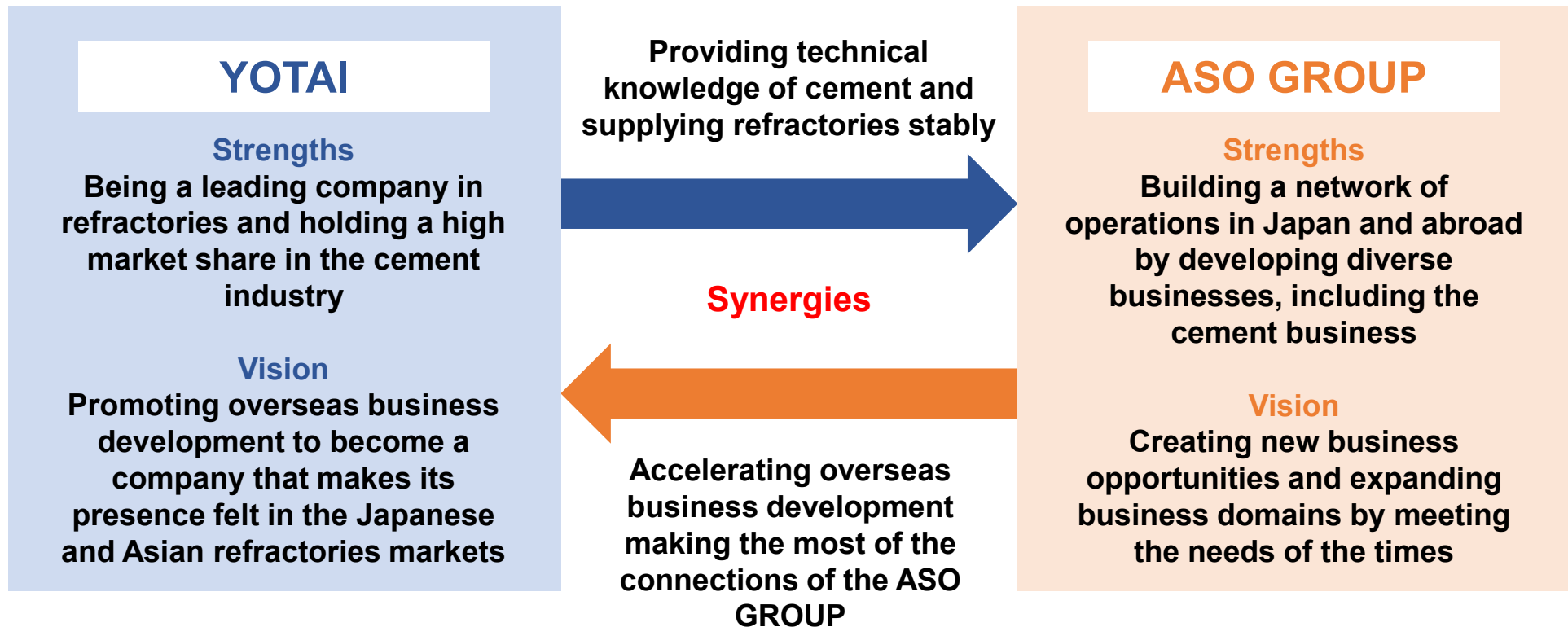
■ Name	ASNF HOLDINGS GK
■ Location	2-3, Marunouchi 3-chome, Chiyoda-ku, Tokyo
■ Representative's name and position	Iwao Aso, President of ASO CORPORATION
■ Business lines	1. Acquisition and holding of shares or equity in other companies 2. All businesses incidental or related to the above item
■ Capital	300,000 yen
■ Date of establishment	September 28, 2023
■ Major shareholder and the percentage of shares held	ASO CORPORATION 100%

Results of the takeover bid

■ Period of the takeover bid	April 14, 2025 to May 14, 2025
■ Acquisition price	1,810 yen per common share
■ Number of shares to be acquired (ownership ratio)	6,531,400 (35.44%)

	Before transfer		After transfer	
	Number of shares owned (ownership ratio)	Rank among major shareholders	Number of shares owned (ownership ratio)	Rank among major shareholders
ASNF HOLDINGS GK	—	—	6,531,400 (35.44%)	First
Sumitomo Osaka Cement Co., Ltd.	3,230,709 (17.53%)	First	2,954,409 (16.03%)	Second

Aiming to enhance corporate value from a medium- to long-term perspective by welcoming ASNF HOLDINGS as a stable shareholder and partner



- The policy of the ASO GROUP is to maintain the listing of shares of YOTAI REFRACTORIES even after the takeover bid, and the Group plans to preserve the current management structure and business administration policy of YOTAI REFRACTORIES.
- Thus far, no specific measures for support and collaboration between the two companies have been decided; plans call for such measures to be discussed between the two in the future.

Overview of Consolidated Financial Results for the Year Ended March 2025

Consolidated Statement of Income

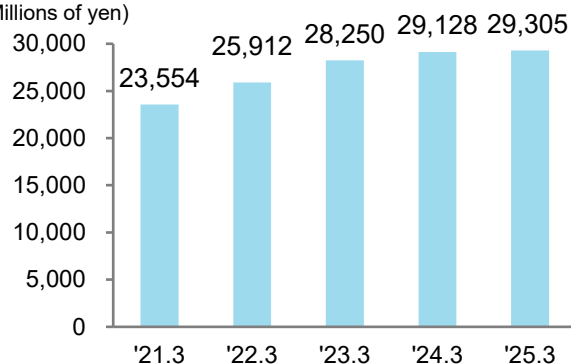
- Net sales increased by 0.6% year-on-year, reaching a record high, due to large projects for the ceramics industry and increased orders for environmental systems in addition to price revisions.
- Ordinary profit decreased by 1.7% year-on-year mainly because of rising raw material costs, which were mainly caused by the low valuation of the yen and increases in depreciation expenses due to capital investments.
- Profit attributable to owners of parent decreased by 32.4% year-on-year as a reaction to the posting of extraordinary profit due to the transfer of a consolidated subsidiary's equity and reduction in cross-shareholdings during the previous year.

(Millions of yen)

	FY2024	FY2025	Year-on-year change	
			Amount	Rate
Net sales	29,128	29,305	+176	+0.6%
Operating profit (Operating profit to sales ratio)	3,602 (12.4%)	3,484 (11.9%)	-117	-3.3%
Ordinary profit (Ordinary profit to sales ratio)	3,704 (12.7%)	3,640 (12.4%)	-63	-1.7%
Profit attributable to owners of parent (Profit to sales ratio)	3,878 (13.3%)	2,623 (9.0%)	-1,255	-32.4%

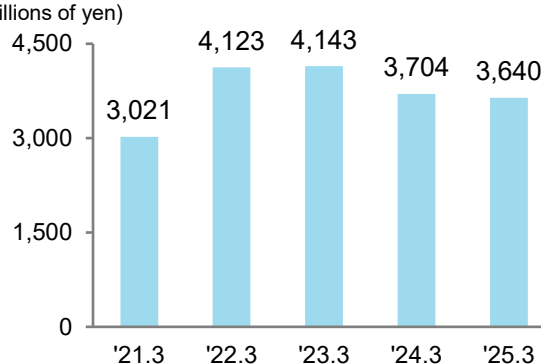
Net sales

(Millions of yen)



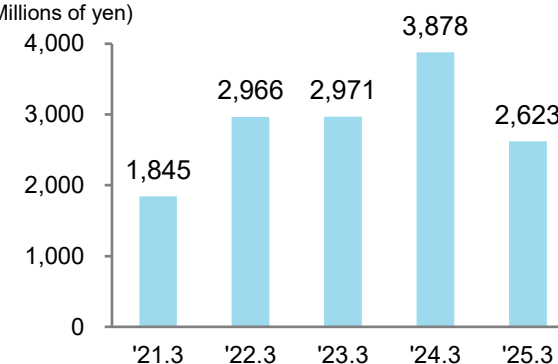
Ordinary profit

(Millions of yen)

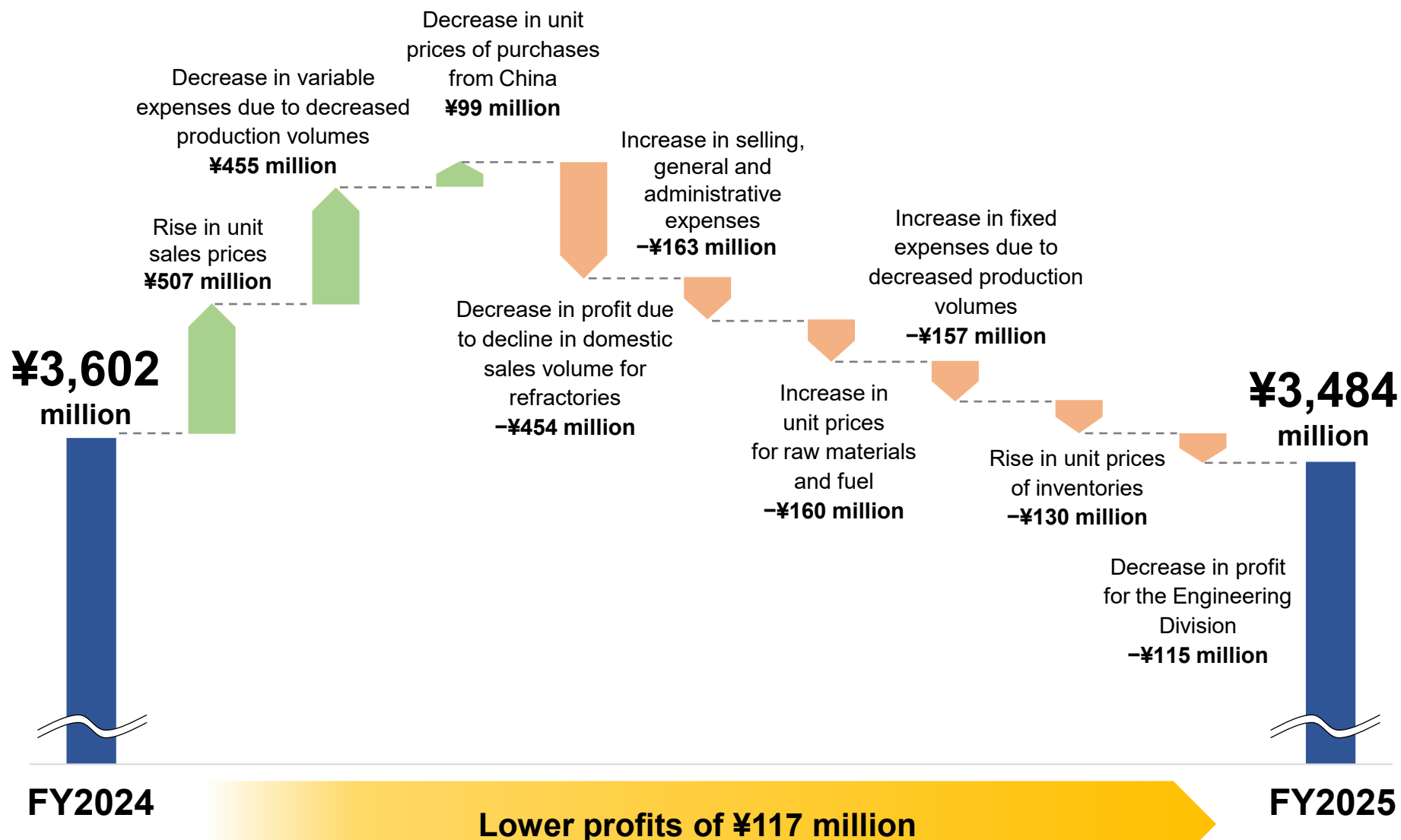


Profit attributable to owners of parent

(Millions of yen)

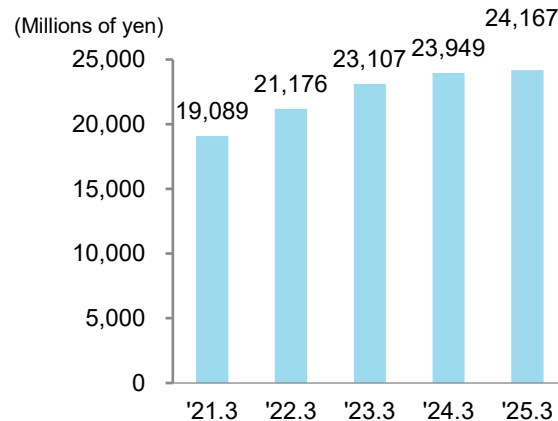


Analysis of Factors Underlying the Increase/Decrease in Consolidated Operating Profit (Year-on-year Change)

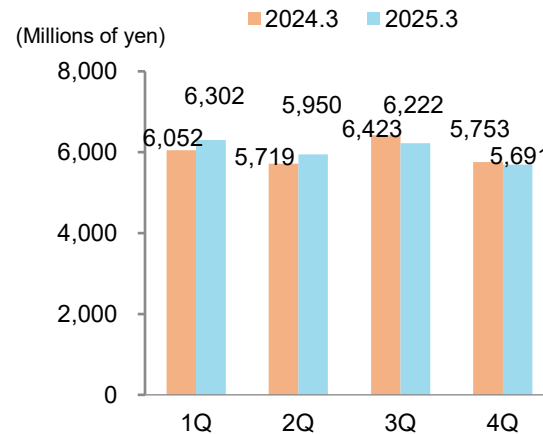


Net sales were 24,167 million yen, up 0.9% year-on-year, and segment profit was 4,723 million yen, up 2.5% year-on-year.

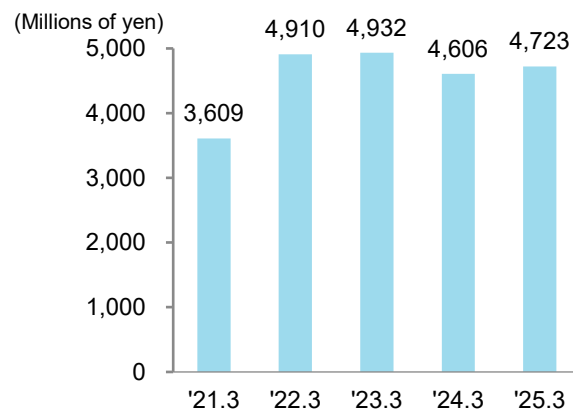
Net sales



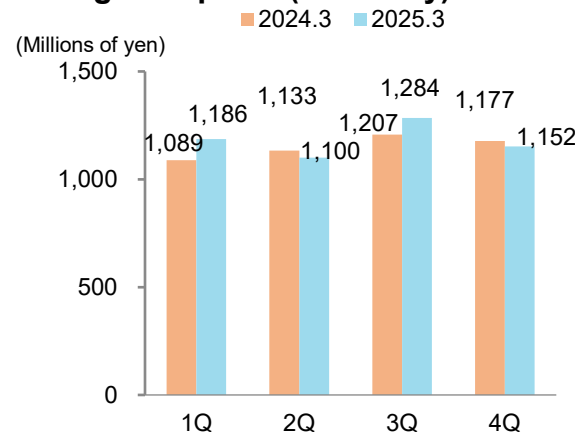
Net sales (Quarterly)



Segment profit

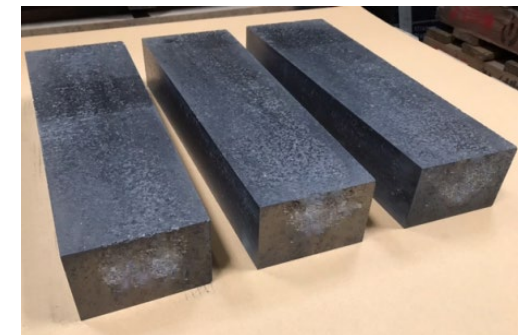


Segment profit (Quarterly)



Highlights of the current term

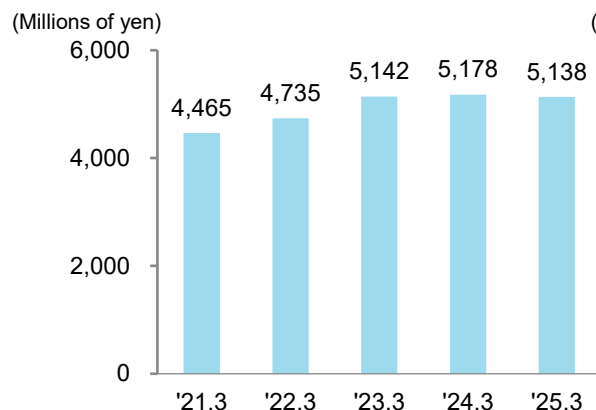
- **Steel:** Orders decreased slightly due to the effects of decreases in production volumes at steel manufacturers.
- **Cement:** Stable orders were secured due to periodic repair.
- **Nonferrous metals:** There was a reaction following the large projects in the previous year, but sales grew due to growth in orders from overseas.
- **Ceramics:** Orders for carbon furnace refractories rose.
- **Electronic parts:** Demand remained sluggish, lowering the number of orders accepted.
- In overseas markets, sales for Indonesia increased.



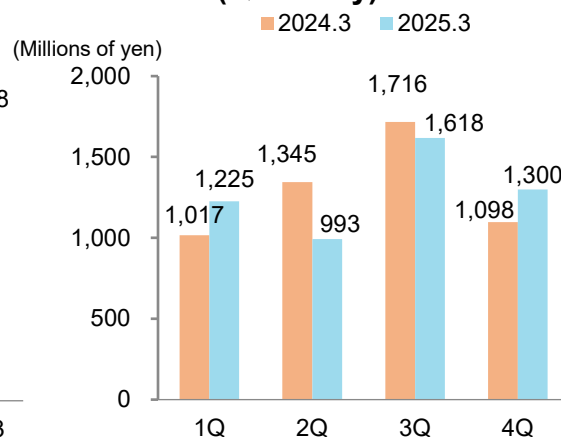
Magnesia-carbon bricks

Net sales were 5,138 million yen, down 0.8% year-on-year, and segment profit was 716 million yen, down 13.9% year-on-year.

Net sales



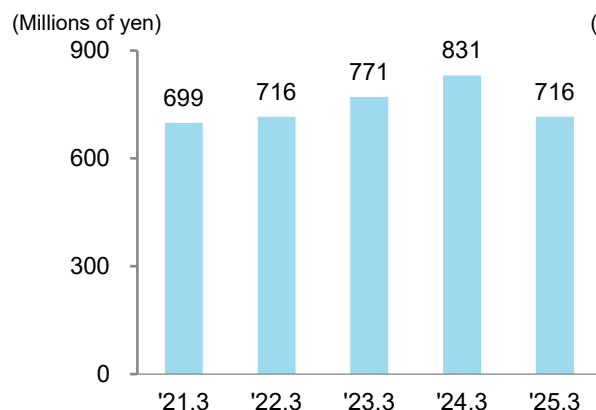
Net sales (Quarterly)



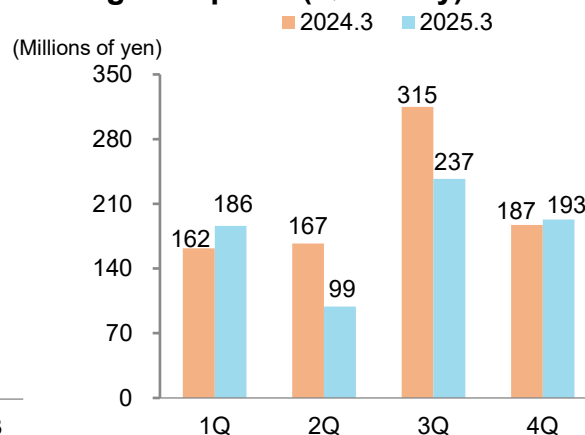
Highlights of the current term

- Net sales decreased as a reaction to the large nonferrous projects in the previous year.
- The profit ratio declined due to factors such as higher personnel expenses resulting from restrictions on the number of overtime working hours.
- The number of personnel was increased systematically to bolster customer support.

Segment profit



Segment profit (Quarterly)



Ladle construction

Consolidated Balance Sheet

(Millions of yen)

	FY2024	FY2025	Increase/ Decrease	Major factors for increase/decrease
Current assets	31,259	29,584	-1,675	Notes and accounts receivable - trade -1,806 Electronically recorded monetary claims operating +182 Products -196 Raw materials and supplies +249
Non-current assets	11,272	11,794	+522	Buildings and structures +681 Machinery, equipment, and vehicles +80 Construction in progress -119
Total assets	42,531	41,379	-1,152	
Current liabilities	8,282	6,707	-1,574	Accounts payable - trade -208 Accounts payable - other -392 Accrued expenses -186 Income taxes payable -502
Non-current liabilities	1,718	1,722	+4	Long-term borrowings +170 Deferred tax liabilities +75 Retirement benefit liabilities -219
Total liabilities	10,000	8,430	-1,569	
Total net assets	32,531	32,948	+417	Profit attributable to owners of parent +2,623 Acquisition of treasury shares -849 Dividends of surplus -1,962
Total liabilities and net assets	42,531	41,379	-1,152	
Capital adequacy ratio	76.5%	79.6%	+3.1 pts	
ROE (return on equity)	12.2%	8.0%	-4.2 pts	

Consolidated Cash Flow Statement

(Millions of yen)

	FY2024	FY2025	Major cash flows during the current term
Cash flows from operating activities	3,864	4,431	Profit before income taxes +3,698 Depreciation +1,384 Decrease in trade receivables +1,628 Decrease in trade payables -246
Cash flows from investing activities	-754	-2,245	Purchase of property, plant and equipment -2,292 Purchase of intangible assets -53 Proceeds from sale of investment securities +135
Cash flows from financing activities	-2,537	-2,263	Purchase of treasury shares -849 Proceeds from disposal of treasury shares +406 Dividends paid -1,958
Effect of exchange rate changes on cash and cash equivalents	46	30	
Net increase (decrease) in cash and cash equivalents	618	-47	
Cash and cash equivalents at end of period	6,460	6,412	

Forecasts of Consolidated Financial Results for the Year Ending March 2026

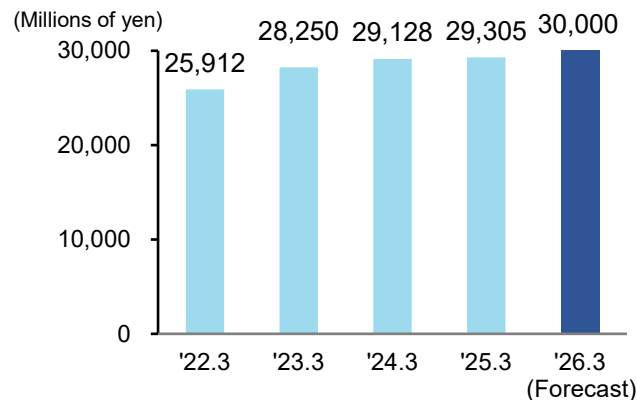
Forecasts of Consolidated Financial Results

- Sales are expected to increase by 2.4% year-on-year on the assumption that demand for refractories in the steel industry will remain stable as a result of the shift from blast furnaces to electric furnaces and that YOTAI will win orders for large nonferrous projects.
- Although personnel expenses are expected to continue to grow, the Company plans to increase ordinary profit by 7.1% year-on-year assuming stable demand from its major clients and stabilized prices of raw materials due to a high valuation of the yen.
- It is necessary to continue to closely monitor growing geopolitical risks as well as exchange-rate fluctuations, the slowdown in the Chinese economy, and other factors for uncertainty.

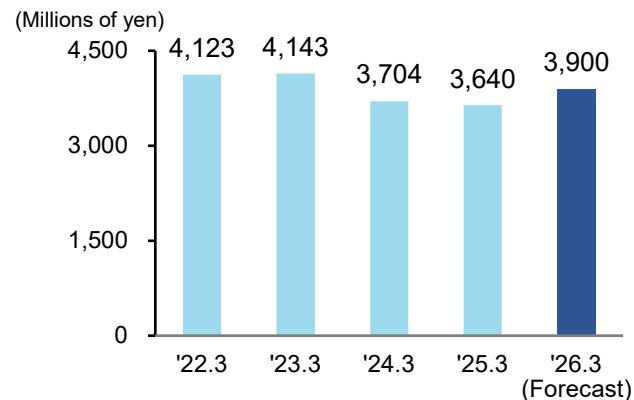
(Millions of yen)

	FY2024	FY2025 (forecast)	Year-on-year change	
			Amount	Rate
Net sales	29,305	30,000	+694	+2.4%
Operating profit (Operating profit to sales ratio)	3,484 (11.9%)	3,800 (12.7%)	+315	+9.1%
Ordinary profit (Ordinary profit to sales ratio)	3,640 (12.4%)	3,900 (13.0%)	+259	+7.1%
Profit attributable to owners of parent (Profit to sales ratio)	2,623 (9.0%)	2,600 (8.7%)	-23	-0.9%

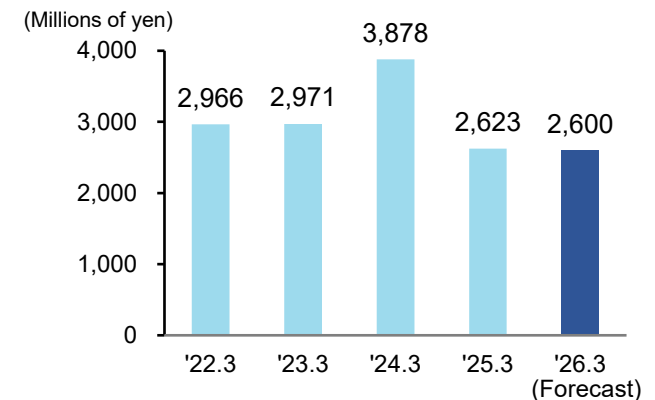
Net sales



Ordinary profit

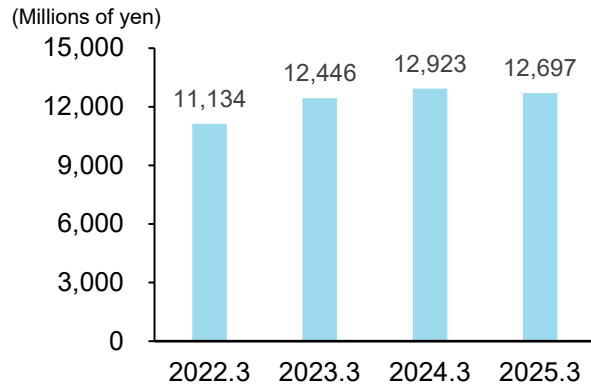


Profit attributable to owners of parent

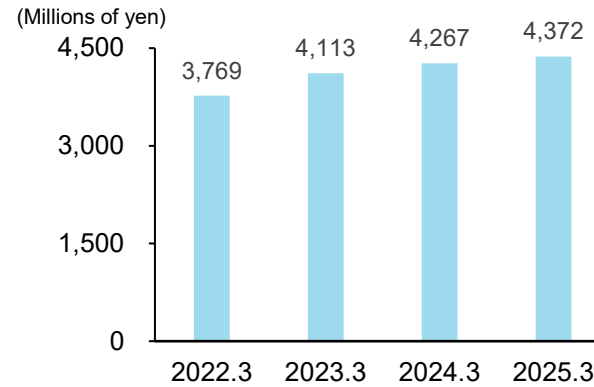


Sales Performance by Industry Sector and Outlook

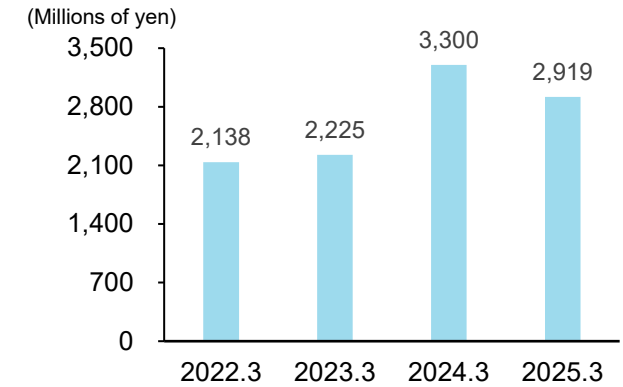
Steel



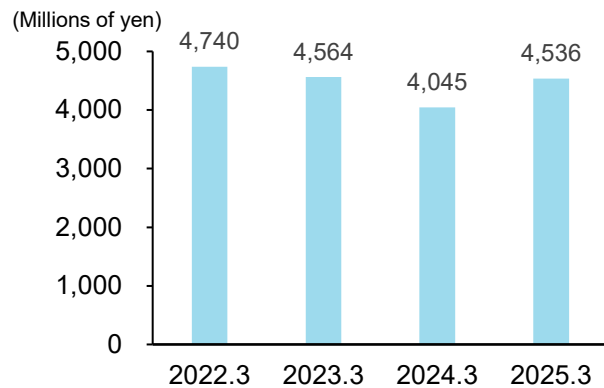
Cement



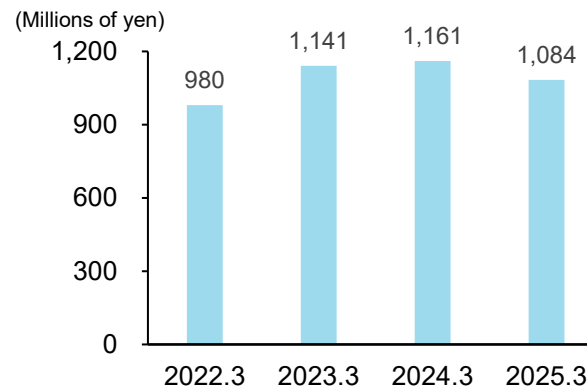
Nonferrous



Environmental systems



Electronic parts



	FY2025 Actual	FY2026 Outlook
Steel	→	→
Cement	→	→
Nonferrous	→	→
Environmental systems	→	→
Electronic parts	→	→

* Starting from the current term, sales performance has been changed to sales by industry after financial results adjustment.

Progress in the Second Medium-term Management Plan and Future Strategy

We newly established the 2030 Vision to achieve a medium- to long-term leap.

We aim to maximize investment returns in 2030 by expanding investment returns during the period covered by the Second Medium-term Management Plan.

Corporate Vision

A company that continues to improve its corporate value sustainably in harmony with society through the enhancement of financial and non-financial value by maintaining profitability and promoting ESG management

First Medium-term Management Plan (FY2022–FY2024)

Establish a structure to achieve the corporate vision

- Earn revenue from existing businesses
- Investment in people, products, and information

Net sales for FY2024

¥29.1 billion (including ¥1.3 billion overseas)

Second Medium-term Management Plan (FY2025–FY2027)

Continuously develop a structure to achieve the corporate vision and cultivate new revenue sources

- Strengthen the structure through continuous investment in people, products, and information
- Cultivate new revenue sources

Net sales target for FY2027

¥32.0 billion (including overseas sales of approx. ¥1.7 billion)

**2030 Vision
Company with a strong presence in the refractory industry in Japan and Asia**

Net sales target for FY2030

¥38.0 billion (including approx. ¥3.5 billion overseas)

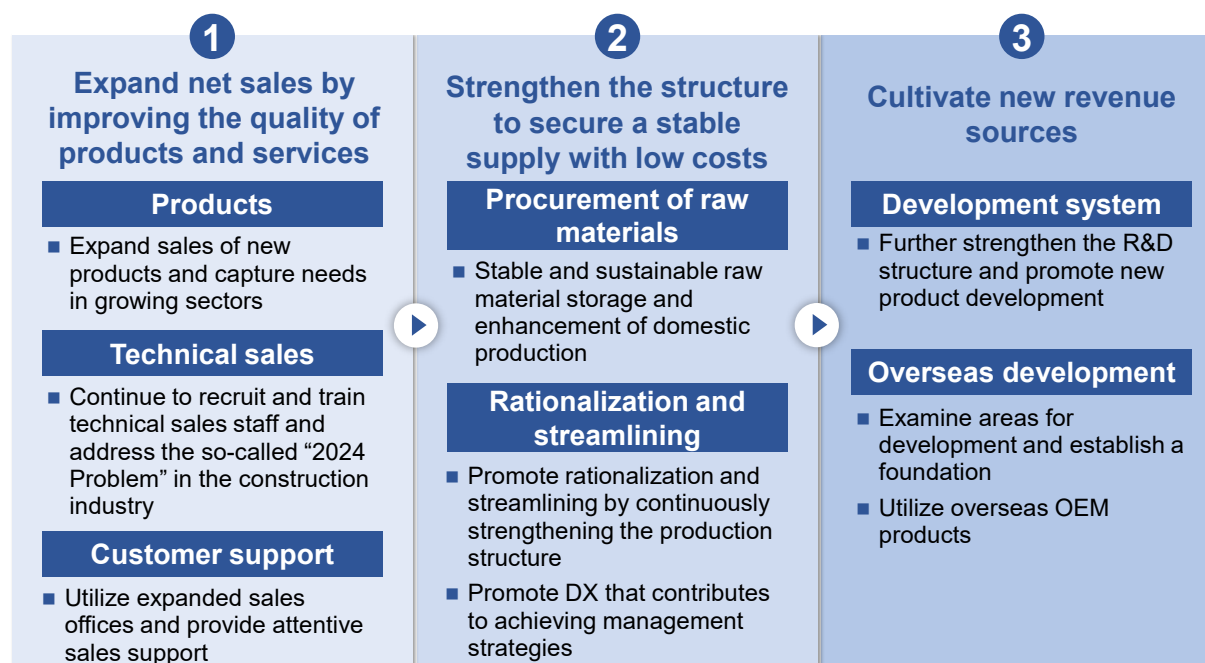
Second Medium-term Management Plan (FY2025–FY2027)

A period for **continuously developing a structure** to achieve the corporate vision and **cultivate new revenue sources**

Basic strategies and prioritized measures

Continue to **invest in people, products, and information** to maximize investment returns, while responding to changes in the business environment to **strengthen profitability and diversify revenue sources**

Strengthen profitability and diversify revenue sources



Promote ESG management



Numerical Targets in the Second Medium-term Management Plan

(Millions of yen)

	FY2024 Result	FY2025 Result	FY2027 Target	Change from FY2025	
				Amount	Rate
Net sales	29,128	29,305	32,000	+2,694	+9.2%
Operating profit (Operating profit to sales ratio)	3,602 (12.4%)	3,484 (11.9%)	4,400 (13.8%)	+915	+26.3%
Ordinary profit (Ordinary profit to sales ratio)	3,704 (12.7%)	3,640 (12.4%)	4,500 (14.1%)	+859	+23.6%
Profit attributable to owners of parent (Profit to sales ratio)	2,669* (9.2%)	2,623 (9.0%)	3,200 (10.0%)	+576	+22.0%
ROE	8.6%*	8.0%	10.0% or more	+2.0 pts or more	—
Consolidated dividend payout ratio	41.4%	63.5%	60.0%	—	—

* Figures excluding extraordinary income from the transfer of equity in YINGKOU NEW YOTAI REFRACTORY CO., LTD., a consolidated subsidiary, and the reduction of cross-shareholdings.

The Medium-term Management Plan got off to a smooth start as initiatives were steadily carried out according to the priority measures set out in the Plan.

- ✓ The Company made the most of its strength in having transactions with a wide range of industries to increase sales as refractories for ceramics and environmental systems performed well, but profit decreased due to the effects of rising raw material and fuel costs, which were mainly caused by the low valuation of the yen, and investments in people, products, and information made by taking a hard look at what things will be like in the future.
- ✓ Investments in people, products, and information progressed as initially planned.
 - People: Recruitment and training of technical sales staff continued, and efforts were launched to establish a system for data-based strategic sales operations.
 - Products: Large presses, solar power generation systems, and other systems were continuously introduced. To further enhance cost-competitiveness, the Company started to automate production processes and effectively incorporate IoT into them.
 - Information: The Company reinforced the functions of the mission-critical system Mikumo and continued to reduce working hours through AI-OCR and RPA.
- ✓ By establishing closer cooperation in information sharing at overseas strategy meetings, YOTAI staged active sales operations in countries such as Indonesia, India, the Philippines, Thailand, South Korea, China, and the United States. Net sales increased steadily, and progress was made in discovering partner companies.
- ✓ Initiatives to reduce CO₂ emissions in manufacturing processes began (such as the change in fuel for sintered tunnel kilns).

Large, high-efficiency presses were introduced at each plant

YOTAI continued to introduce large, high-efficiency presses at each plant to improve product quality and productivity.

FY2023

Hinase Plant:	3,000T press	(Apr. 2022 operational start)
Yoshinaga Plant:	1,500T press	(Aug. 2022 operational start)
Mizunami Plant:	850T press	(Sep. 2022 operational start)

FY2024

Hinase Plant:	1,000T press	(Sep. 2023 operational start)
Kaizuka Plant:	1,000T press	(Jun. 2023 operational start)
	300T press	(Dec. 2023 operational start)

FY2025

Kaizuka Plant: Automation of the 1,500T press
(Jul. 2024 operational start)

Hinase Plant: 1,000T press (Feb. 2025 operational start)

Effects of introduction

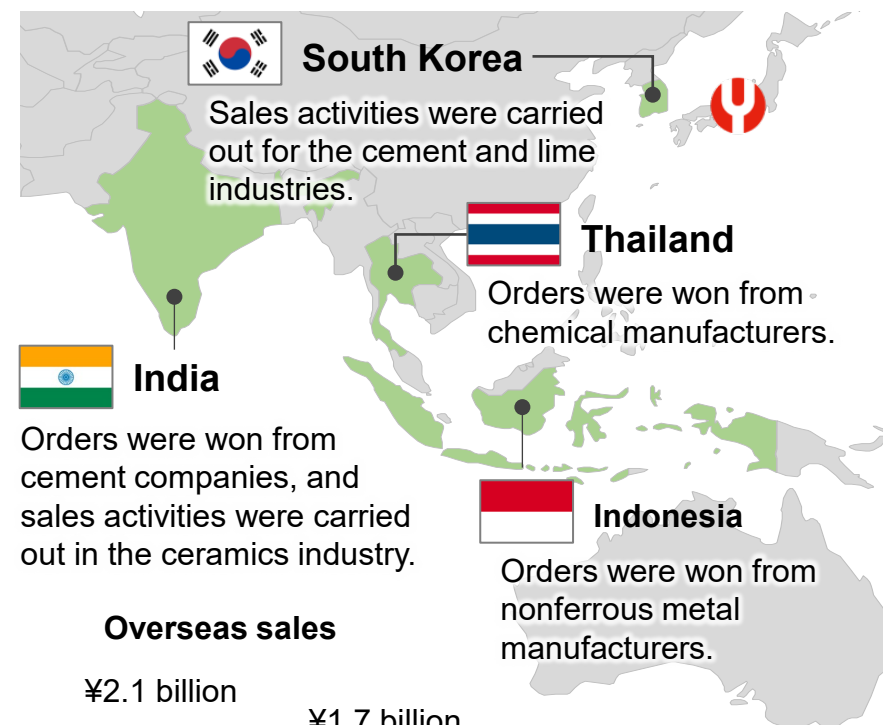
Expanded scope
of products that
can be handled

More stable
quality

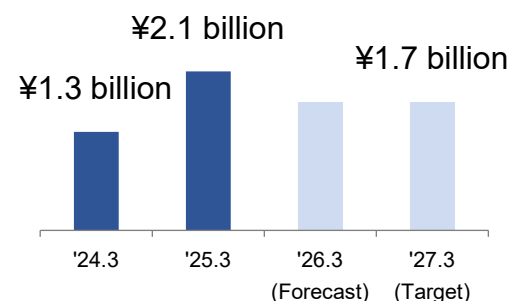
Enhanced ability
to meet delivery
deadlines

Overseas business development

Overseas strategy meetings were held to confirm the progress with sales staff and to proactively expand sales activities.



Overseas sales



By conducting sales activities in ways that met the needs of each country, net sales **jumped 62% year-on-year.**

Development of environmentally friendly refractories

YOTAI has developed new environmentally friendly refractories, which are high in demand among customers.



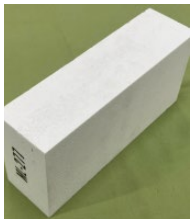
Cement rotary kilns Transition zone non-sintered spinel bricks

(Industry type: Cement)
These bricks reduce the amount of CO₂ emitted during manufacture more than sintered bricks.



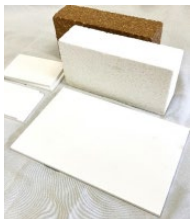
Chrome-free castable bricks for waste melting furnaces

(Industry type: Environmental systems)
These bricks are highly corrosion-resistant.



Lightweight, highly durable creep-fused mullite furnace bricks

(Industry type: Electronic parts)
These bricks are very light and have an excellent anti-creep property. They also reduce thermal loss with their low thermal conductivity and thermal expansivity.



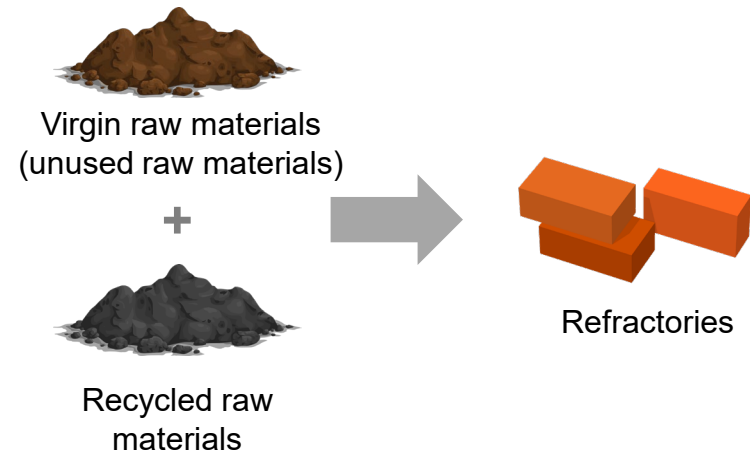
Refractories sintered using 100% hydrogen fuel

For the sintering process, YOTAI succeeded in high-temperature sintering using 100% hydrogen fuel, ensuring that the environmentally friendly refractories have a quality comparable to that of the conventional ones.

Effective utilization of resources through sustainable refractories

Sustainable Refractories: STN Series

YOTAI continued to conduct evaluation tests to commercialize the production of recycled raw materials.



The goal is for recycled raw materials to constitute at least 20%

Contribution to effective resource utilization

Ongoing installation of solar power generation systems

YOTAI is promoting the introduction of renewable energy to protect the global environment.



Yoshinaga Plant (First Branch)

Start of operation: Aug. 2023 and Dec. 2024

Volume of power generated: 512 kW



Yoshinaga Plant (Second Branch)

Start of operation: Jun. 2021

Volume of power generated: 150 kW

* Installation of solar panels in the third phase of construction has been decided.

(The start of operation is scheduled for March 2026.)



Hinase Plant (West Plant and East Plant)

Start of operation: Dec. 2023 and Dec. 2024

Volume of power generated: 1,171 kW



Mizunami Plant

Start of operation: Nov. 2022 and Jan. 2025

Volume of power generated: 1,206 kW

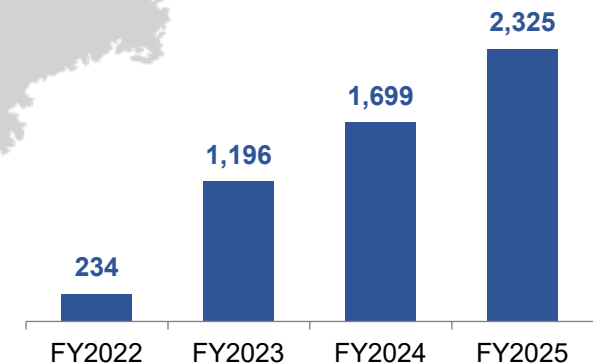


Kaizuka Plant

Start of operation: Feb. 2022

Volume of power generated: 748 kW

Electricity produced by YOTAI solar power generation systems (MWh)



Further promote DX that contributes to achieving business strategies

YOTAI is promoting DX by making the most of the newly introduced mission-critical system Mikumo.



Basic policy for DX

Achieve innovation by making effective use of digital technology, including generative AI, and responding to environmental changes

Promote strategic sales operations to win orders from a wider range of clients

Reduce production lead times and achieve greater production efficiency

Promote product improvement and development of new products

Specific initiatives

- **Promotion of utilization of generative AI and IoT at production sites**
 - Formulation of optimal production plans at the Kaizuka Plant
 - Automation of inventory control at the Mizunami Plant
 - Establishment of traceability in manufacturing processes at the Hinase Plant
- **Recruitment and training of DX personnel**
- **Evolution of the mission-critical system Mikumo**
 - Introduction of sales support systems
 - Promotion of cloud computing throughout the Company and establishment of unified data management
 - Achievement of greater operational efficiency by using generative AI

YOTAI aims to realize the 2030 Vision by implementing the measures for the Second Medium-term Management Plan.

Strengthen profitability and diversify revenue sources

1 Expand net sales by improving the quality of products and services

- Step up sales activities in steel, nonferrous, and other growth areas
- Emphasize the superiority of YOTAI's products by making the most of the Company's large presses
- Continue to recruit and train human resources centered on technical sales staff

2 Strengthen the structure to secure a stable supply with low costs

- Effectively use the newly established Okayama Office
- Strengthen the production system by introducing more large presses (Yoshinaga and Mizunami Plants)
- Verify the effects of DX at production sites and further promote DX

3 Cultivate new revenue sources

- Move forward with overseas projects for which orders have been won and win repeat orders
- Further develop overseas partners and clients in cooperation with trading firms
- Achieve greater R&D efficiency by using AI in the R&D process

Promote ESG management

4 Promote ESG management

- ④ E Promote the ongoing introduction of solar power generation systems, EVs, etc. and start to reduce CO₂ emissions in manufacturing processes (such as the change in fuel for tunnel kilns)
- ④ S Advance initiatives such as those for the development of a regionally fixed employee system and the empowerment of women
- ④ G Assign personnel with succession plans in mind

Schedule for and Progress in Investments

Preparation time Full operation

		FY2025		FY2026		FY2027	
		First half	Second half	First half	Second half	First half	Second half
● People							
Recruitment	Active recruitment of personnel with professional careers						
Training	Introduction of training programs by rank and job classification						
	Promotion of participation in e-learning (online training)						
Work style	Revision of the retirement age (extension) system						
	Introduction of a regionally fixed employee system						
Benefits and welfare	Revitalization of the employee shareholding association						
	Continuous promotion of health management						
● Products							
Equipment for automation	Installation of large high-pressure presses and high-efficiency presses						
	Installation of an automated sorting system						
	Remodeling of automatic presses dedicated to deformed shapes						
Improvement of facility efficiency	Modification of kneading plants						
	Improvement of plant layout						
	Modification of rotary kilns for raw material production						
Facilities to develop new products	Installation of non-oxide production facilities and new introduction of special presses						
Furnace construction	Rationalization of construction methods						
Reduction of CO ₂ emissions	Installation of solar panels						
	Continuous introduction of EV vehicles						
	Change of energy sources in Scope 1						
● Information							
DX promotion	Continuous enhancement of the functionality of the mission-critical system "Mikumo"						
	Cultivation of new customers by digitizing customer information and sales activity information						
	Improvement of productivity and the development of digital human resources by promoting the use of AI, RPA, and low-code tools						
	Improvement of manufacturing quality and cost reduction by promoting IoT at plants						
	Promotion of paperless operations by introducing file servers, electronic workflow, etc.						
	Enhancement of cyber security measures						
● Other							
	M&A investments in related sectors, etc.						

Strengthen investment and the allocation of funds to shareholders

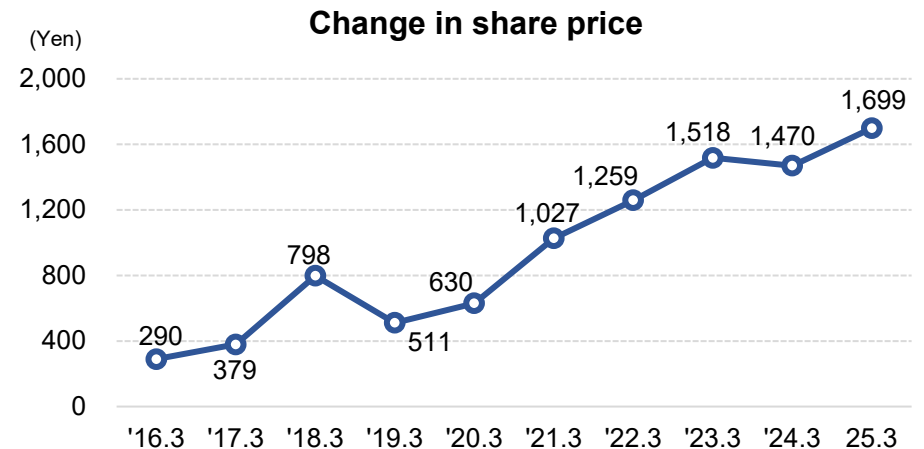
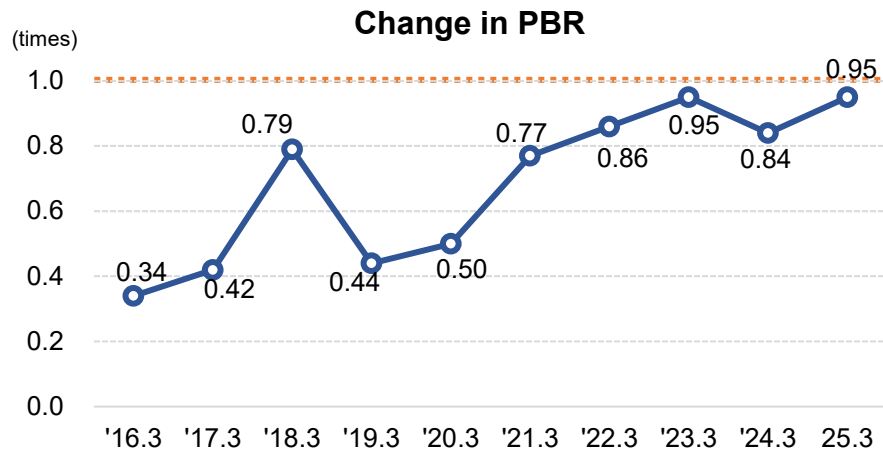
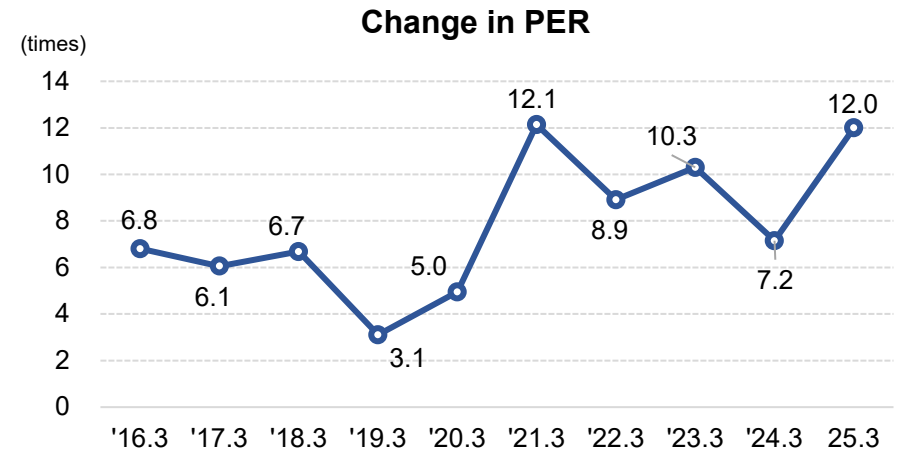
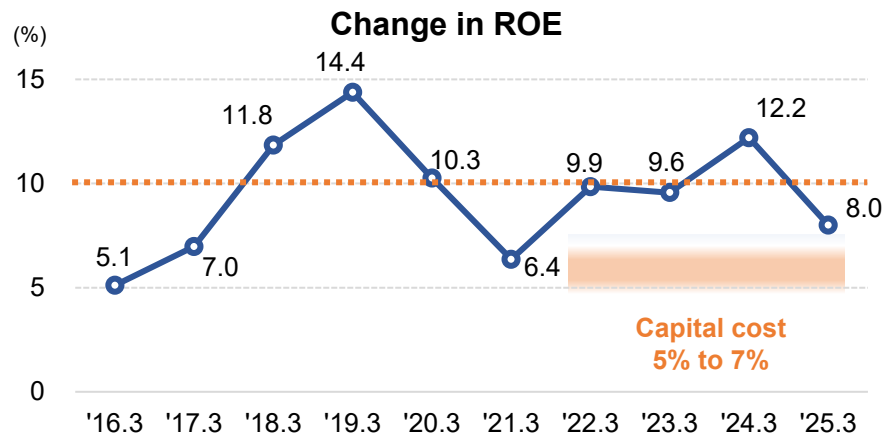
Three-year total		Details	FY2025 Result
Investment ¥8.0 billion	Renovation investment ¥1.5 billion	<ul style="list-style-type: none"> Investment for rationalization and streamlining 	¥0.7 billion
	Strategic investment ¥4.0 billion	<ul style="list-style-type: none"> Installation of strategic facilities Investment for decarbonization BCP investment 	¥1.5 billion
	DX investment ¥0.5 billion	<ul style="list-style-type: none"> Investment in information systems 	¥0.05 billion
	Other ¥2.0 billion	<ul style="list-style-type: none"> M&A investment, etc. 	¥0.01 billion
Shareholder returns		<ul style="list-style-type: none"> Enhance shareholder returns <ul style="list-style-type: none"> Consolidated dividend payout ratio of 60% or dividend per share of 85 yen, whichever is higher Consider implementing the acquisition of treasury shares while comprehensively examining the Company's financial condition, etc. 	Dividend payout ratio of 63.5% (planned)

* We will make investments other than those mentioned above as appropriate after careful examination of the details and amount of the investment.

Response for Achieving Capital Cost- and Share Price-Conscious Management

Analysis of Current Status (1) (ROE, PER, PBR, and Stock Price)

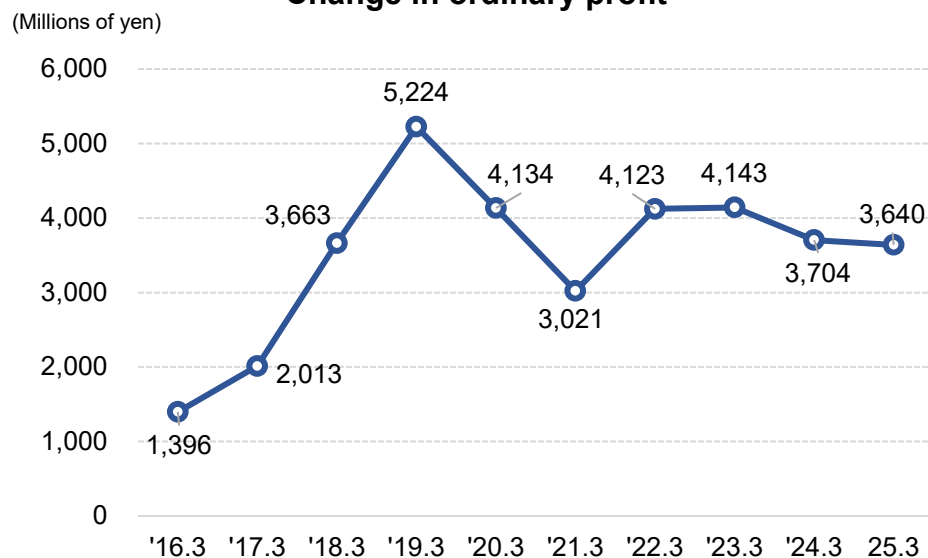
- **Capital cost:** Perceived to be around 5% to 7%
- **ROE:** The Company recognizes that to achieve an ROE of 10%, the challenges are to increase investment returns and improve profitability.
- **PER:** The Company recognizes that future growth potential and stabilization of market evaluations are issues to be addressed.
- **PBR:** Though PBR exceeded 1 after the announcement of the Second Medium-term Management Plan, subsequently it remained at 0.9. The Company will continue to formulate and implement management plans from a long-term perspective in a way that addresses environmental changes.
- **Share price:** The share price has been rising over the long term, and the Company will continue to securely implement financial and non-financial strategies.



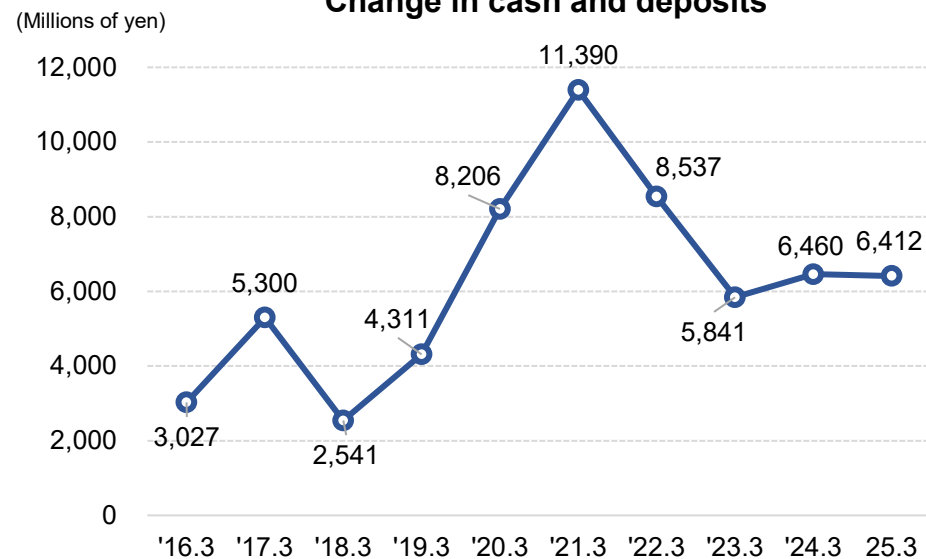
Analysis of Current Status (2) (Financial Situation)

- The Company's business performance is affected by the amount of domestic crude steel production in the steel industry, which is its main customer, the prices of raw materials in China, and the depreciation of the yen.
- Still, the Company maintains a structure that can generate stable profit due to its strong customer base and financial strength.
- The Company will continue to work on further improvement and enhancement of capital efficiency with an awareness of the capital cost.

Change in ordinary profit



Change in cash and deposits



Policies

Targets

ROE

**Increase investment
returns**

10.0% or more

PBR

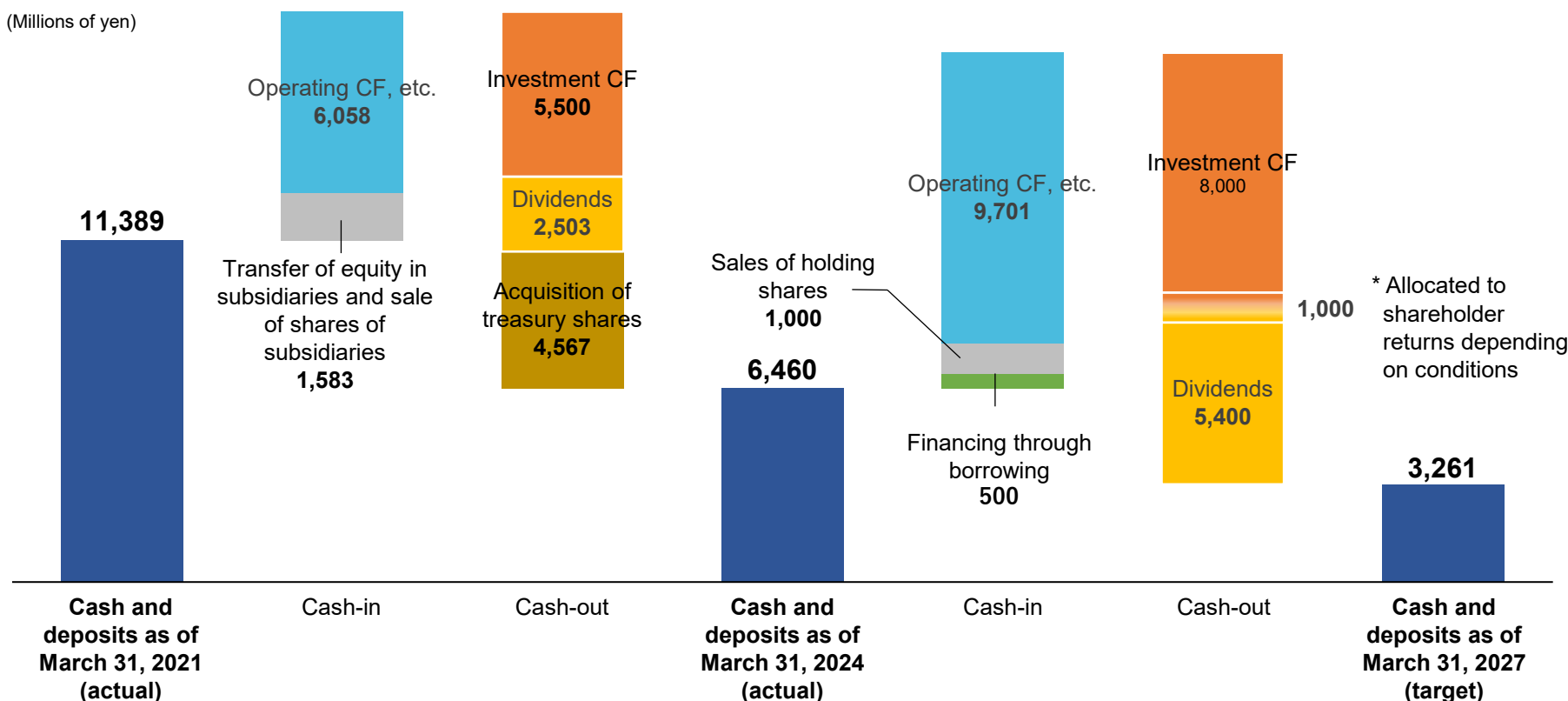
**Formulate and promote
management plans from a
long-term perspective**

1 times or more

**Strive to sustainably enhance corporate value by implementing
the Second Medium-term Management Plan
and the 2030 Vision in tandem**

- To achieve optimal capital structure, the Company will utilize interest-bearing debts in a flexible manner with an awareness of the capital cost.
- Regarding shareholder returns, during the period covered by the Second Medium-term Management Plan, the Company will prioritize shareholder returns through dividends and choose either a consolidated dividend payout ratio of 60% or a dividend of 85 yen per share, whichever is higher.
- Regarding M&A, the Company will continue to seek investment opportunities and actively invest in deals that will contribute to the enhancement of corporate value.
- As the Second Medium-term Management Plan is progressing steadily in its first year, there are no policy changes.

(Millions of yen)

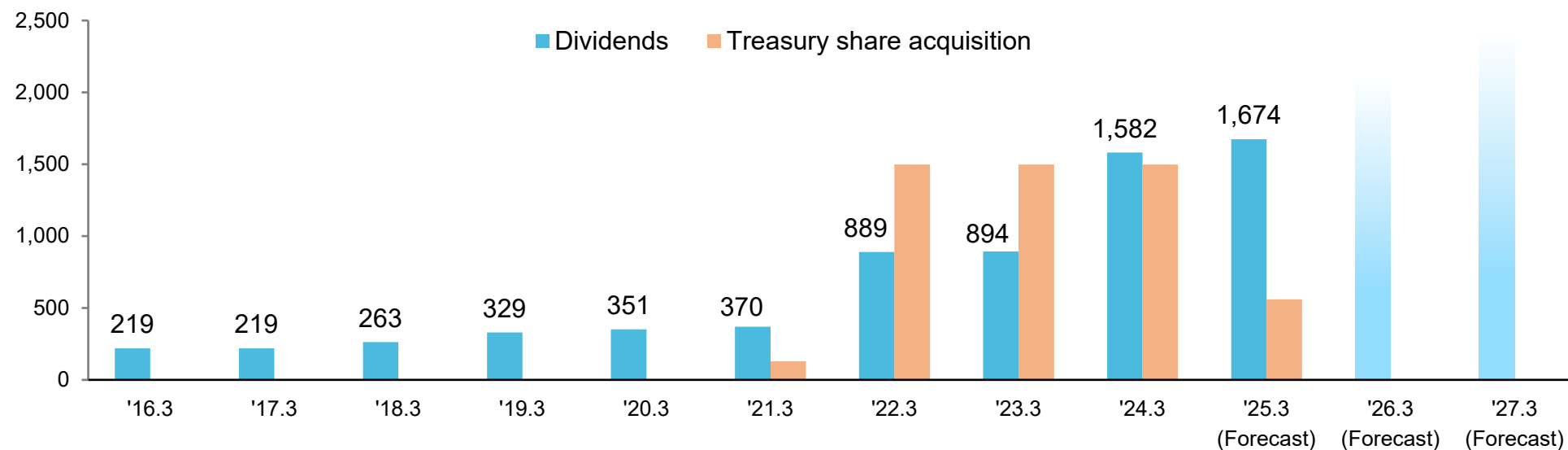


During the period covered by the Second Medium-term Management Plan, the Company will prioritize shareholder returns through dividends and **choose either a consolidated dividend payout ratio of 60% or a dividend of 85 yen per share, whichever is higher.**

The Company will consider the acquisition of its treasury shares, examining its financial condition, etc. comprehensively.

Amount of dividends and treasury share acquisition

(Millions of yen)



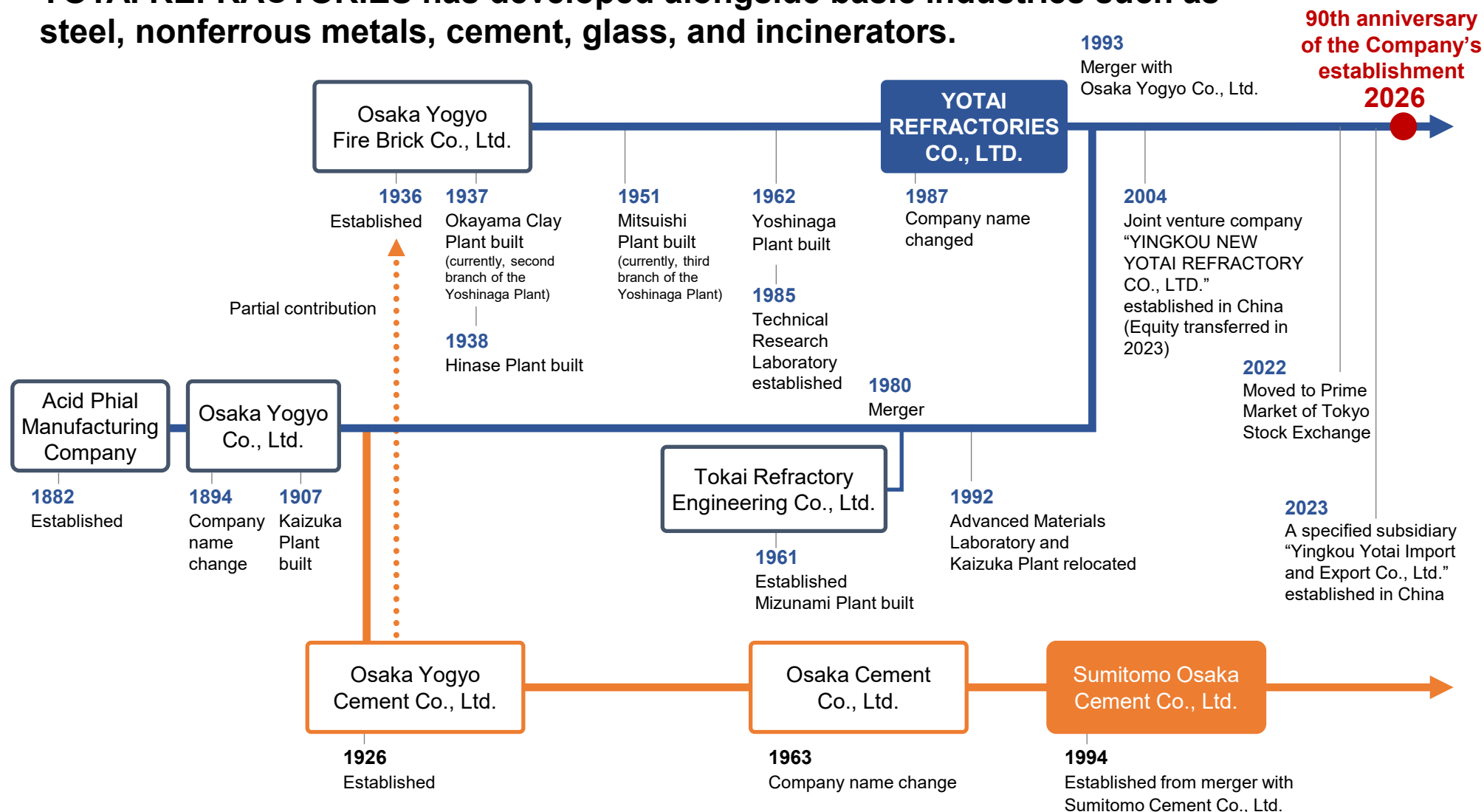
	16.3	17.3	18.3	19.3	20.3	21.3	22.3	23.3	24.3	25.3	26.3	27.3
Dividend per share (yen)	10.0	10.0	12.0	15.0	16.0	17.0	43.0	45.0	85.0	90.0	90.0	—
Consolidated dividend payout ratio	23.5%	16.0%	10.1%	9.1%	12.6%	20.1%	30.4%	30.5%	41.4%	63.5%	63.5%	—

Appendix

Creating the future with our refractories

Corporate name	YOTAI REFRACTORIES CO., LTD.
Establishment	August 1936
Head office location	8-1 Nishikinaka-machi, Kaizuka-shi, Osaka Prefecture 597-0093
No. of employees	538 (as of March 31, 2025)
Paid-in capital	2,654 million yen (as of March 31, 2025)
Business description	Manufacturing and sales of refractories/new ceramics, and related engineering businesses
Corporate Philosophy	At the YOTAI Group, we aim to be a sincere company that creates new technologies and products in response to the demands of revolutionary times, enhance customer satisfaction, and contribute to society using our unique technology and by passing down to the next generation our history and experience in long-standing refractory manufacturing technologies.

YOTAI REFRACTORIES has developed alongside basic industries such as steel, nonferrous metals, cement, glass, and incinerators.



Independent

from any particular corporate group

**Solid position in a wide
range of business fields**



**Sincere and agile customer
services**

**Business structure not easily affected
by trends in any particular field**



Thorough cost management

backed by corporate culture

**Pursuit of internal
production**



**Technical sales,
multi-skilled workers**

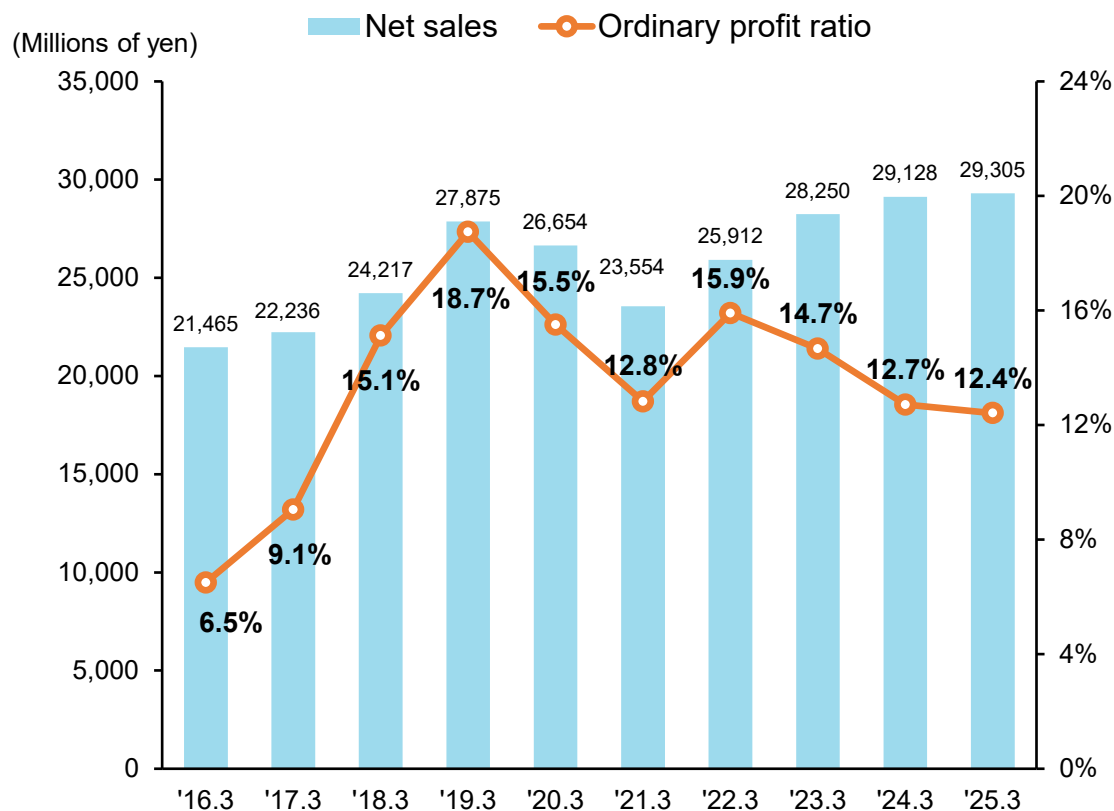
Industry top-class profitability



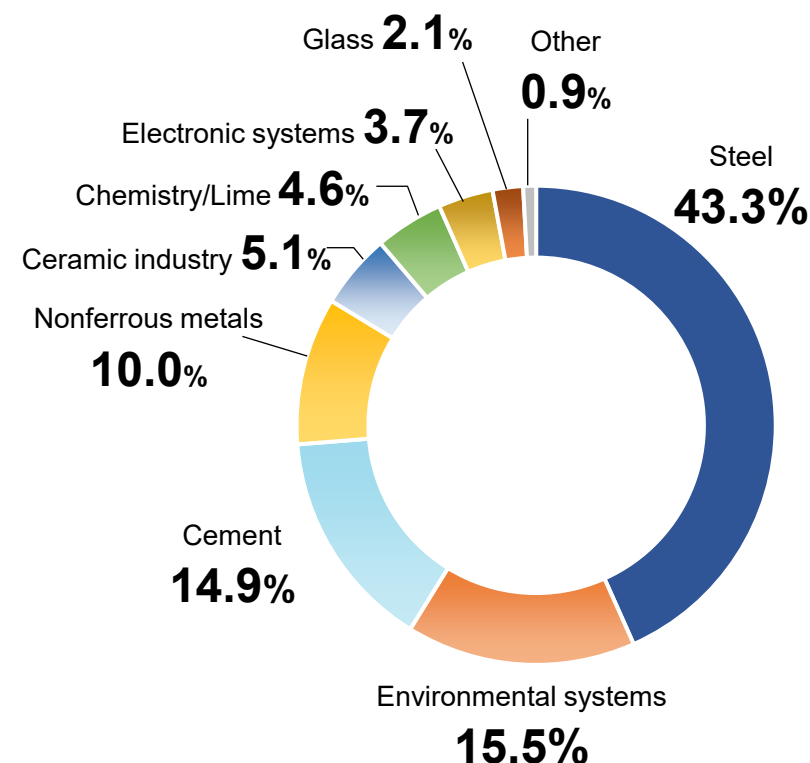
Achievement of sustainable profit growth

Growing continuously without being affected by booms or busts in particular industries

Changes in net sales and the ordinary profit ratio [consolidated]

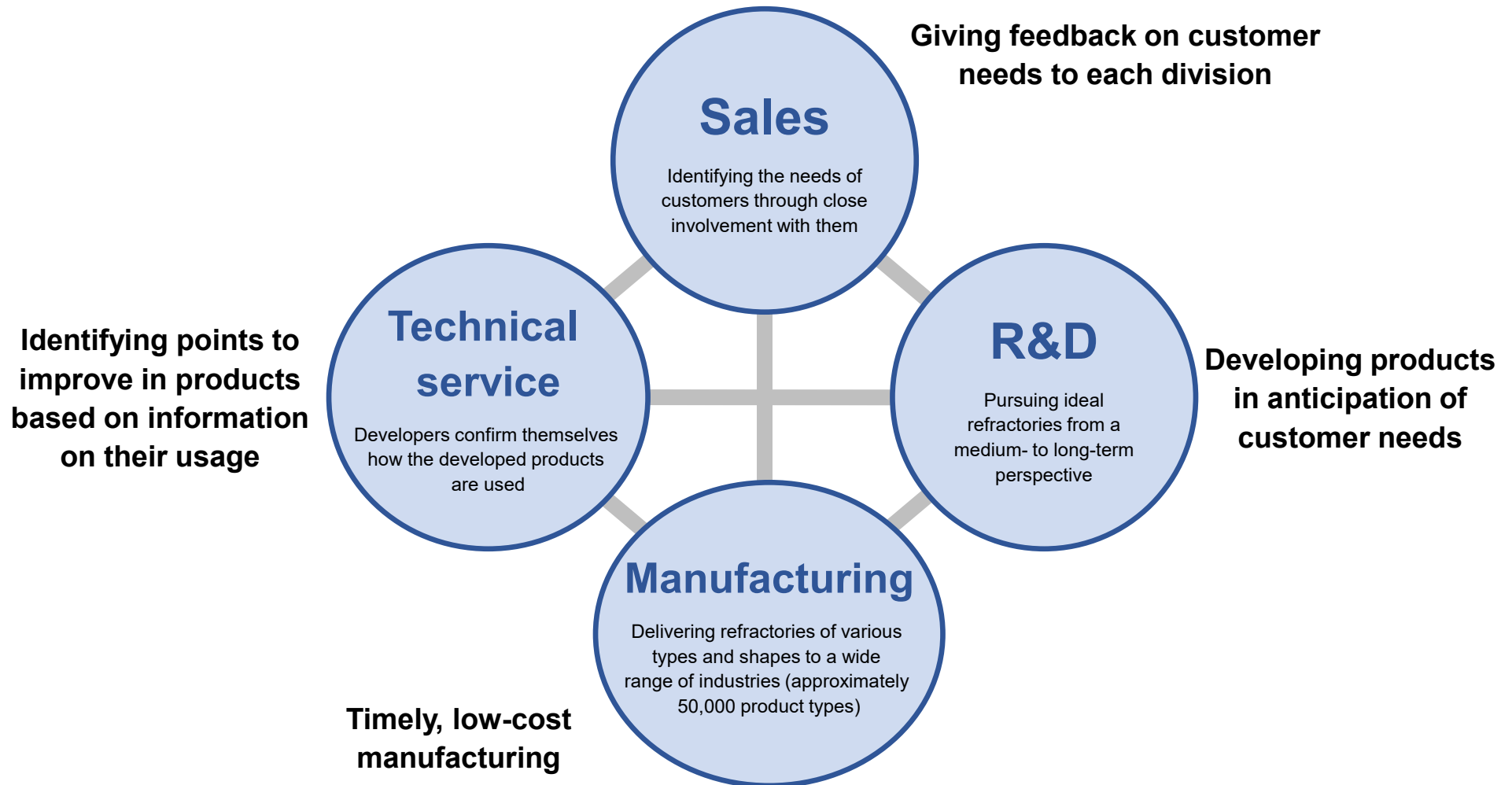


Sales results by industry during the year ended March 2025 (monetary comparison) [consolidated]

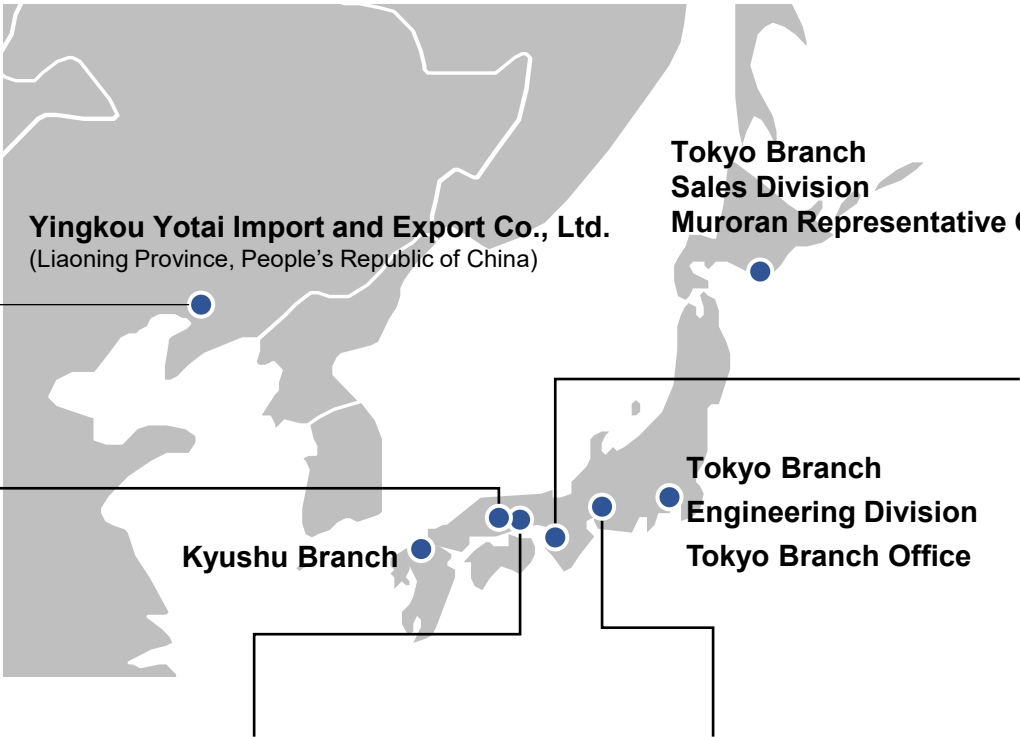


* Starting from the current term, sales results have been changed to sales by industry after financial results adjustment.

Providing value through united efforts by sales, R&D, manufacturing, and technical service



List of Business Locations



Head Office



Yoshinaga Plant



Yoshinaga Plant,
Second Branch



Okayama Branch
Hinase Plant
Technical Research Laboratory
Engineering Division



Nagoya Branch
Mizunami Plant (Toki Factory)



Kaizuka Plant
Advanced Materials Laboratory
Engineering Division
Kaizuka Branch Office

Refractory bricks

Classification

Refractory bricks are refractories with various shapes, such as blocks and plates. Most refractories used in the growing electronic components industry are refractory bricks.



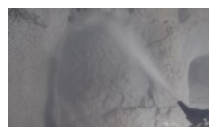
Type

Main applications

Spinel	Cement
Magnesium carbon	Blast furnace/electric furnace
Aluminum magnesium carbon	Electric furnace
Clayey	General purpose
High alumina	General purpose
Other	General purpose
Refractory bricks	

Monolithic refractories

Monolithic refractories are powder- and clay-type refractories. Powder-type products are mixed with water and poured or sprayed on-site. Clay-type products are pressed or patted in place for use.



Example of spraying work

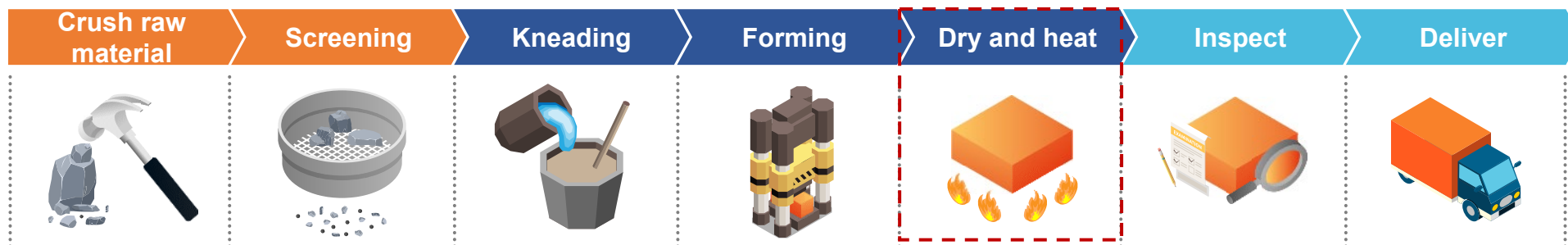


Caster	Steel, cement, environmental equipment, general purpose
Ramming materials, spraying materials	Steel, general purpose
Mortar	General purpose
Other	
Monolithic refractories	

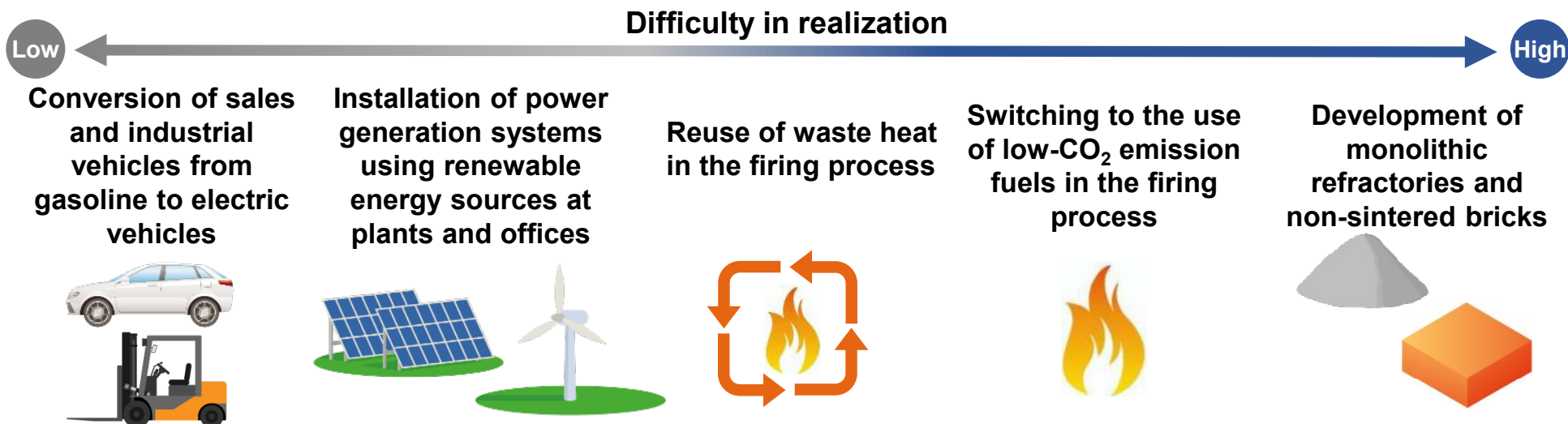
Proceed with studies to achieve themes that are also highly difficult to handle

Manufacturing process for refractory bricks

Process with the highest CO₂ emissions



Specific themes to be studied



YOTAI REFRACTORIES reports on its business lines and initiatives to enhance its corporate value to all stakeholders, including investors and shareholders, in an easy-to-understand way.



2022 report



2023 report



2024 report

<https://www.yotai.co.jp/library.html>

Yotai Integrated report

Search



External evaluations

Certification as a 2025 health and productivity management outstanding organization



**CDP2024 Climate Change Survey
Grade: "B"**



Certified as a DX-ready business operator



Exhibition at the Osaka and Kansai Expositions

Since its foundation, the Company has contributed to international exchange and the development of economy and local communities by exhibiting at the Osaka and Kansai expositions.

YOTAI's product "Ceralock" was used at the Japan World Exposition Osaka in 1970 (excerpts from the Company's in-house magazine No. 167, April 1, 1970)

Exhibition at the event "Mirai e Tsunagu Kaizuka Expo" held at Gallery West during Expo 2025, Osaka, Kansai, Japan on May 17, 2025



Photo of the entire exhibition booth



About 1,000 people visited the exhibition site.

Group photo of exhibition staff

On February 14, 2025, YOTAI REFRACTORIES held its first briefing on the Company for individual investors, and a video of the briefing was streamed live online. The video was viewed by 2,046 individual investors, providing an opportunity for them to learn about YOTAI's business lines and future growth strategy. The Company will continue to work on IR activities in an effort to make itself known to as many people as possible.

(Important questions and answers)

(1) Please tell us about your measures for shareholder returns in detail.

Recently, we developed a capital allocation policy and raised our target for shareholder returns to a level at which we can maintain high profitability and a sound financial structure while considering the inflow and outflow of cash and pushing forward with investments. Our new target is to choose either a consolidated dividend payout ratio of 60% or a dividend of 85 yen per share, whichever is higher. We have decided to consider acquiring treasury shares after considering all factors, including financial conditions.

(2) Please tell us about your future growth strategy.

In addition to further developing our existing businesses, we consider promoting overseas business development and expanding sales of environmentally friendly refractories to be growth drivers. Overseas business development is an issue we have addressed over the years, and since becoming president, I have spent a lot of time considering how to expand YOTAI's overseas business. Partly due to the effects of the COVID-19 pandemic, however, our overseas business development has been delayed somewhat. However, YOTAI's policy is to work with various partners to expand our business while making the most of our strengths and monitoring local customers' situations. We believe that environmentally friendly refractories will provide major business opportunities in the future as we are already receiving many inquiries from customers.



A video of the briefing can be viewed from the archives until August 17, 2025. To view the video, please scan the QR code. (Japanese only)

<https://www.net-ir.ne.jp/company/5357/>



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TEL: +81-72-430-2100

Some of the information in this document contains forward-looking statements.

Such statements do not guarantee future performance and involve risks and uncertainties.

Please note that actual results may differ from these forward-looking statements due to changes in the environment and other factors.