

SATOSHOJI

FINANCIAL RESULTS PRESENTATION MATERIAL

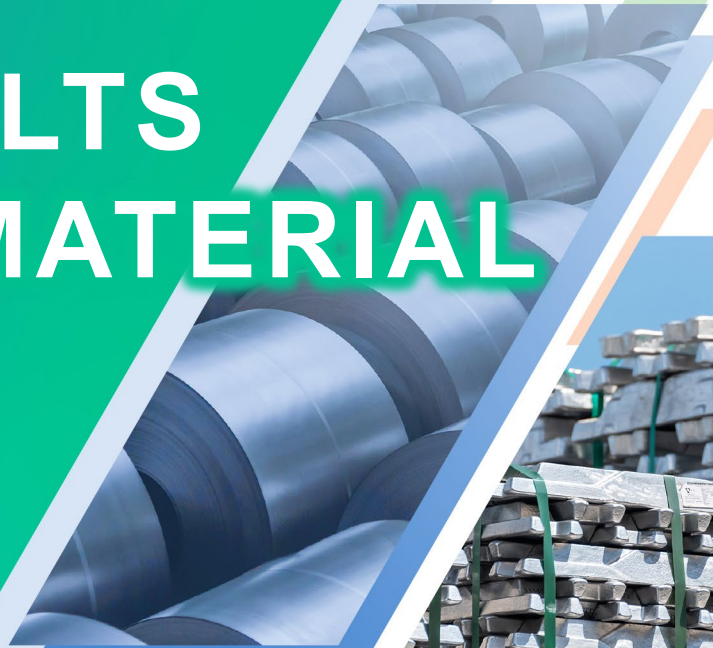
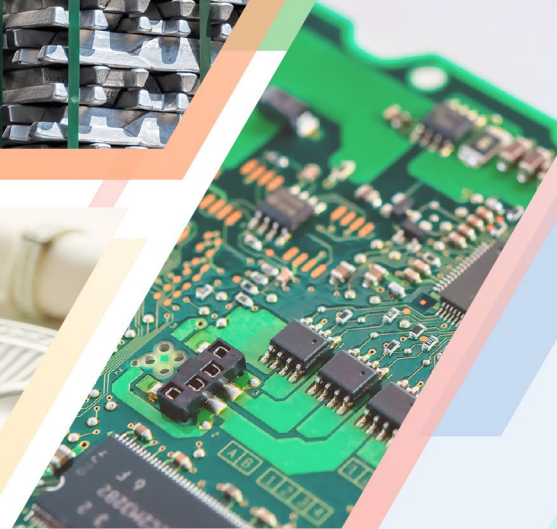
For the Fiscal Year
Ended March 31, 2026

SATO SHOJI CORPORATION

TSE Prime Market Code No. 8065



Martian



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SATOSHOJI

1. 2026/3 Consolidated Results



Summary of Financial Results

Net sales, operating profit, ordinary profit, and profit all reached record highs; final-year targets under the Third Medium-Term Management Plan were also achieved

(Millions of yen; %)

	2025/3		2026/3		Year-on-year change	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
Net sales	284,552	100%	292,191	100%	7,639	2.7%
Gross profit	22,771	8.0%	23,971	8.2%	1,200	5.3%
Selling, general and administrative expenses	15,954	5.6%	16,298	5.6%	344	2.2%
Operating profit	6,817	2.4%	7,673	2.6%	856	12.6%
Ordinary profit	7,191	2.5%	8,162	2.8%	971	13.5%
Profit before income taxes	8,402	3.0%	8,819	3.0%	417	5.0%
Profit attributable to owners of parent	6,015	2.1%	6,568	2.2%	553	9.2%
Earnings per share (yen)	285.90	—	314.18	—	—	—

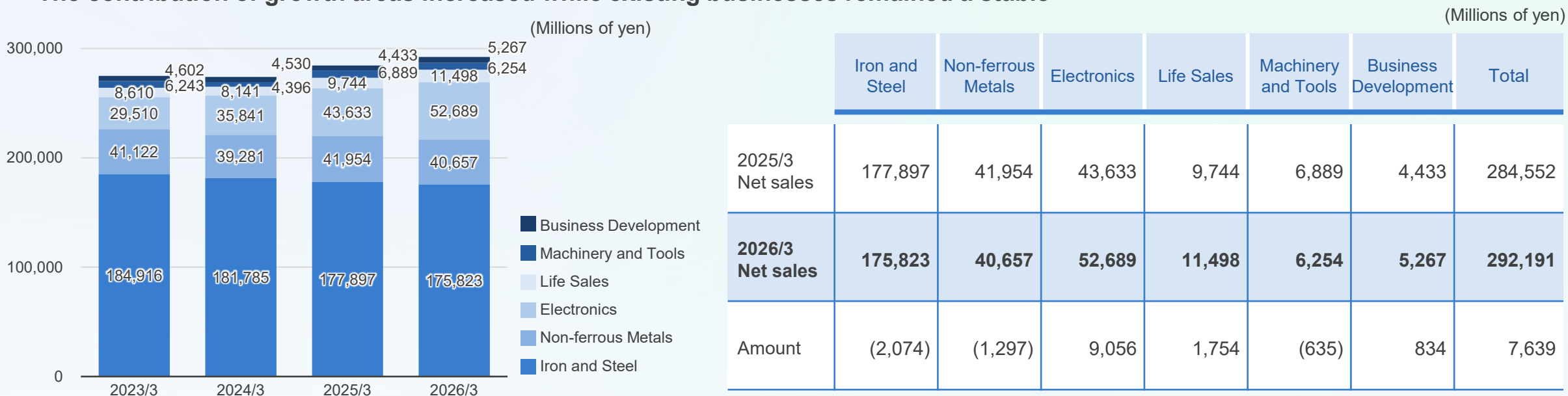
Key Points

- In the fiscal year under review, net sales were ¥292.1 billion yen, up 2.7% year on year; operating profit was 7.6 billion yen, up 12.6%; ordinary profit was 8.1 billion yen, up 13.5%; and profit attributable to owners of parent was 6.5 billion yen, up 9.2%. All reached record highs.
- Background: Overall earnings were driven by growth in the Electronics Division amid expansion of the generative AI market, as well as growth in the Life Sales Division centered on its own products.
- As a result, the Company also achieved its final-year targets under the Third Medium-Term Management Plan.
- In terms of profitability, the operating profit margin was 2.6% (up 0.2% year on year), and ROE was 9.1% (up 0.1% year on year), showing steady improvement.

Summary of Financial Results

Electronics and Life Sales Drove Results, While Iron and Steel Was Sluggish

The contribution of growth areas increased while existing businesses remained a stable



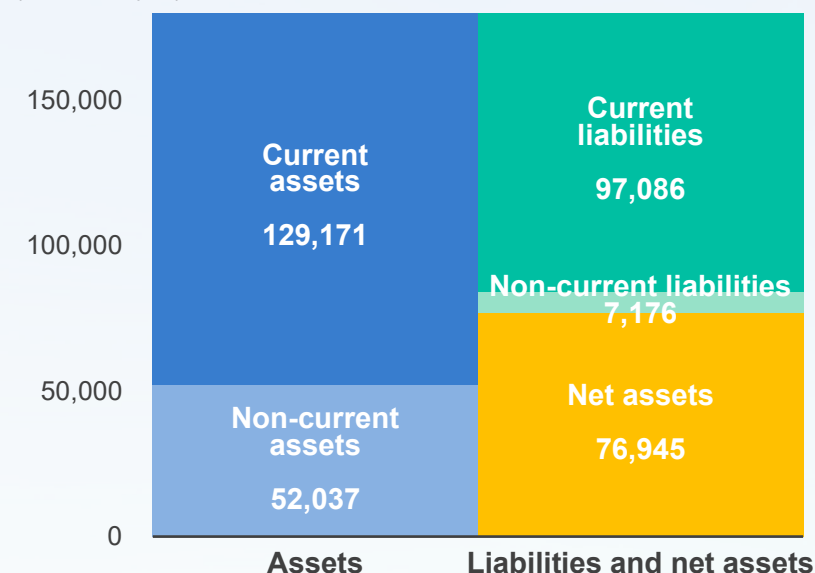
Key Points

- The Electronics Business posted a significant increase in both net sales and profit, with net sales up 20.8% year on year and operating profit up 44.0%. Sales of materials for communications infrastructure and semiconductor-related materials grew significantly, supported by expanding demand related to generative AI.
- The Life Sales Business also maintained high growth, with net sales up 18.0% and operating profit up 47.4%, increasing its contribution to earnings.
- In the Iron Steel Division, net sales declined 1.2% and operating profit fell 8.0%. Although sales volume remained solid, the impact on unit prices from lower material prices led to a decrease in both net sales and profit.
- In the Non-ferrous Metals Division, net sales decreased by 3.1%; however, profit increased significantly by 42.8%, showing progress in improving profitability.
- The Machinery and Tools Business recorded lower net sales due to the absence of large projects posted in the previous fiscal year, resulting in an operating loss.

Balance Sheet

Financial Position Steadily Strengthened

(Millions of yen)



(Millions of yen)

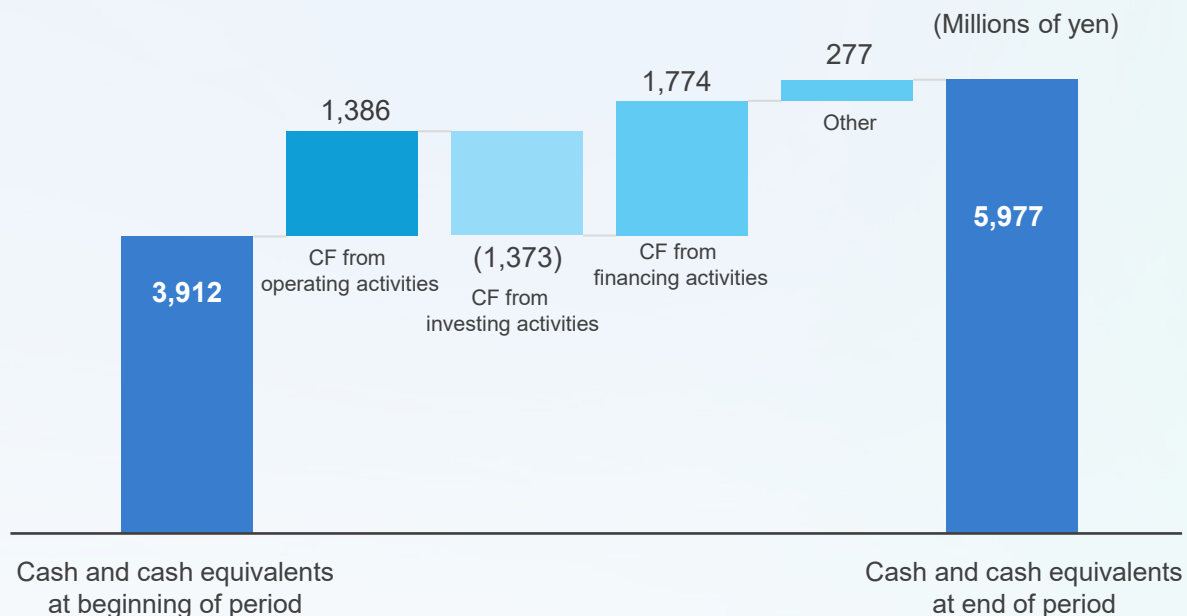
	2025/3	2026/3	YoY change
Current assets	125,596	129,171	3,575
Cash and deposits	3,912	5,977	2,065
Notes and accounts receivable – trade Electronic recorded monetary claims-operating	85,195	87,612	2,417
Other assets	36,489	35,582	(907)
Non-current assets	45,547	52,037	6,490
Property, plant and equipment	24,587	25,281	694
Intangible assets	208	191	(17)
Investments and other assets	20,751	26,564	5,813
Total assets	171,143	181,208	10,065
Total liabilities	102,688	104,262	1,575
Current liabilities	92,257	97,086	4,829
Non-current liabilities	10,431	7,176	(3,255)
Total net assets	68,454	76,945	8,491
Total liabilities and net assets	171,143	181,208	10,065
Equity ratio	39.8%	42.3%	2.5pt

Key Points

- Total assets at the end of the fiscal year were 181.2 billion yen, an increase of approximately 10.0 billion yen from the end of the previous fiscal year. The main factors behind the increase were higher trade receivables and expanded unrealized gains on investment securities.
- Specifically, accounts receivable and other receivables increased by approximately 2.5 billion yen and investment securities increased by approximately 4.9 billion yen. The increase in assets was driven primarily by “higher working capital accompanying business expansion” and “expanded unrealized gains on investment securities.”
- Total liabilities increased by approximately 1.5 billion yen, representing only a slight increase.
- Net assets were 76.9 billion yen, an increase of approximately 8.5 billion yen. The main factors were the accumulation of retained earnings, which increased by approximately 4.9 billion yen, and an increase in valuation difference on available-for-sale securities, which rose by approximately 3.4 billion yen. In particular, expanded valuation gains resulting from the rise in the stock market had a significant impact on the increase in net assets.

Cash Flow

Continued Investments While Improving Cash Positioning



(Millions of yen)

	2025/3	2026/3	Change
Cash flows from operating activities	2,139	1,386	(753)
Cash flows from investing activities	(3,001)	(1,373)	1,628
Cash flows from financing activities	1,293	1,774	481
Others	364	277	(87)
Cash and cash equivalents at end of period	3,912	5,977	2,065
Depreciation	1,151	1,391	240
Increase(Decrease) in borrowings	3,000	0,000	1,103
Dividends paid	(1,583)	(1,682)	(99)

Breakdown of Cash Flows from Investing Activities

Purchase of property, plant and equipment	(4,303)	(2,288)	2,015
Sale of investment securities	1,266	1,050	(216)

Key Points

- While cash flows from operating activities declined, the primary contributing factor was an increase in working capital driven by sales growth.
- Cash flows from investing activities were negative at 1.3 billion yen, reflecting continued investment activity. The main contributing factors were investments in property, plant, and equipment (down 2.2 billion yen) and the sale of investment securities (up 1.0 billion yen).
- Cash flows from financing activities resulted in a net increase of 1.7 billion yen. The main factors were an increase in short-term borrowings (up 8.6 billion yen), repayment of long-term borrowings (down 4.5 billion yen), dividend payments (down 1.6 billion yen), and the repurchase of treasury stock (down 0.7 billion yen).
- As a result, our cash balance at the end of the fiscal year was 5.9 billion yen, an increase of approximately 2.0 billion yen from the previous fiscal year.

SATOSHOJI

2. 2027/3 Consolidated Forecasts



Results Forecasts for the Fiscal Year Ending March 31, 2027

Plans for Continued Revenue and Profit Growth

(Millions of yen; %)

	2026/3		2027/3 (Forecast)		YoY change	
	Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage
Net sales	292,191	100%	305,000	100%	12,809	4.4%
Operating profit	7,673	2.6%	8,300	2.7%	627	8.2%
Ordinary profit	8,162	2.8%	8,600	2.8%	438	5.4%
Profit attributable to owners of parent	6,568	2.2%	6,600	2.2%	32	0.5%
Earnings per share (yen)	314.18	—	315.67	—	—	—

● Future Outlook

- We plan to continue growing both revenue and profit, with net sales expected to reach 305 billion yen (up 4.4% year on year) and operating profit reaching 8.3 billion yen (up 8.2% year on year).
- Conversely, net income is projected to remain virtually flat year on year, at 6.6 billion yen (up 0.5%). The primary reason for this is the recognition of actuarial gains and losses related to retirement benefit accounting in the previous fiscal year, driven by factors such as rising long-term interest rates and higher share prices.

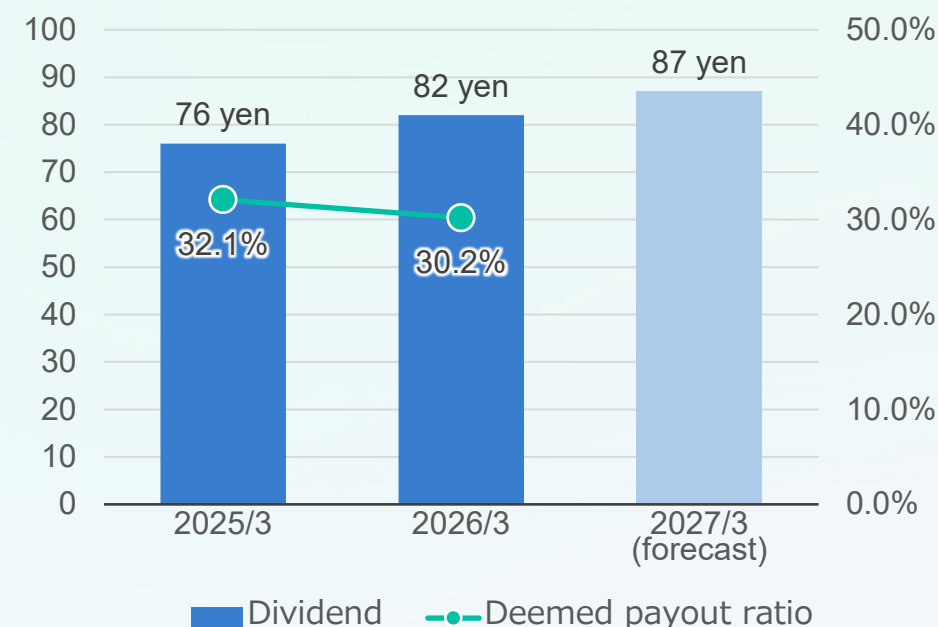
Dividend Forecast

● Dividend Policy

- At least 30% of consolidated deemed net profit*1, with a minimum DOE (dividend on equity*2) of 2.7%.
- Dividends of surplus will be paid twice a year in principle: interim and year-end

(Millions of yen)

		2025/3 Results	2026/3 Results	2027/3 (Forecast)
Dividend per share		76 yen	82 yen	87 yen
Amount of dividends	a	1,599	1,711	—
Payout ratio		26.6%	26.1%	27.6%
Consolidated profit		6,015	6,568	6,600
Consolidated deemed profit	b	4,989	5,662	5,889
Deemed payout ratio (a/b)		32.1%	30.2%	—



Plan for 5-yen dividend increase

- The annual dividend for the fiscal year ended March 2026 was revised from 76 yen to 82 yen, representing a 6-yen increase from the previous year's 76 yen. The deemed dividend payout ratio remained at 30.2%.
- For the fiscal year ending March 2027, the company plans an annual dividend of 87 yen (42 yen interim, 45 yen year-end), **representing dividend increase of 5 yen.**

*1 Consolidated deemed profit:
Consolidated ordinary profit x (1 – Effective tax rate)

*2 DOE: Dividends paid divided by shareholders' equity at the beginning of the fiscal year.
The shareholders' equity figure excludes "other components of equity," such as foreign currency translation adjustments and valuation differences on available-for-sale securities, from the parent company's equity attributable to owners at the beginning of the fiscal year.

SATOSHOJI

3. Policy for Equity Holdings



Equity Holdings Policy and Status

The Board of Directors reviews the rationale for equity holdings twice a year, taking a holistic view of factors such as dividends, business transactions, and costs of capital. Any holdings deemed inappropriate to maintain are slated for reduction.

Status of Reductions

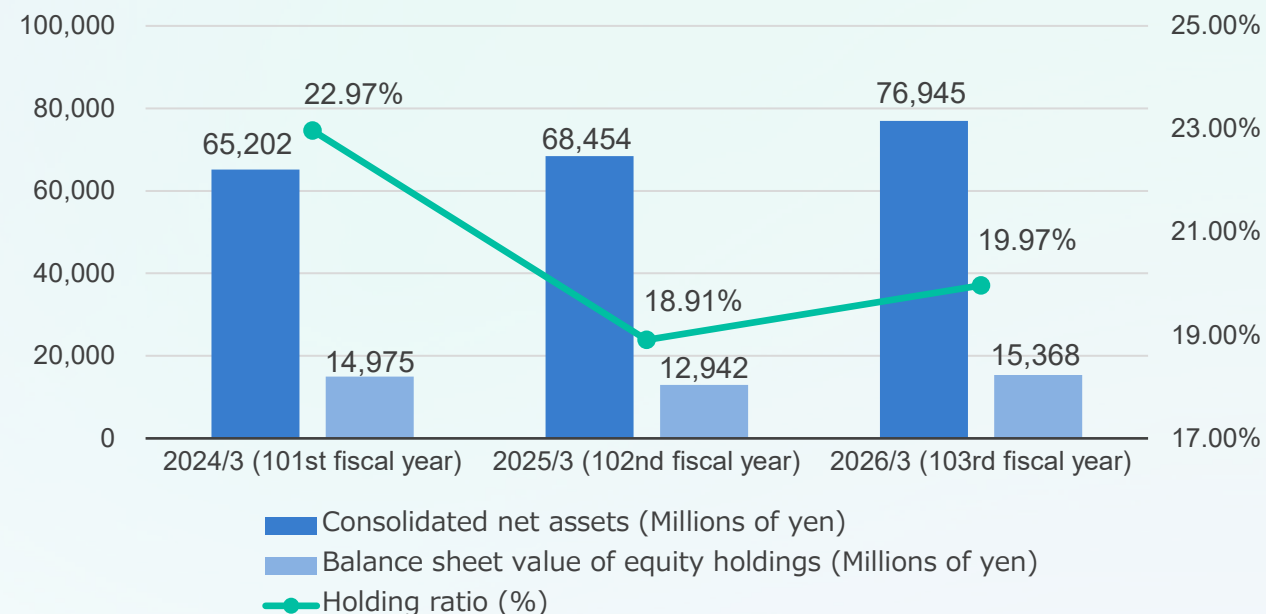
- During the current fiscal year, three listed shares totaling 24 million yen that were not held for pure investment purposes were sold.
- One listed share scheduled for sale once terms are finalized has been reclassified as a pure investment holding.

➤ **Listed shares decreased from 36 to 32, and unlisted shares decreased from 18 to 14 following the sale of four holdings totaling 210 million yen.**

Holding Ratio

- Percentage of consolidated net assets held in stock investments for purposes other than pure investment as of March 31, 2026:

➤ **19.97% (up 1.07point YoY)**
 Breakdown: 19.40% for listed shares (up 1.19pt YoY) and 0.57% for unlisted shares (down 0.12pt YoY).



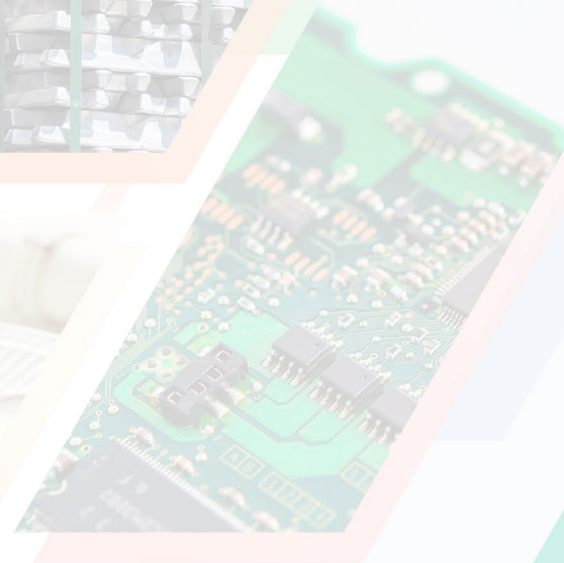
Number of Shares

	2024/3	2025/3	2026/3
Listed Shares	47	36	32
Unlisted Shares	16	18	14
Total	63	54	46

(Issues)

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4. About Sato Shoji Group



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Company Profile

Company name	SATO SHOJI CORPORATION
Founded	February 24, 1930
Established	February 5, 1949
Capital	1,321,368,450 yen
Representative Directors	President Tetsuo Nozawa Senior Managing Executive Officer Masami Urano
Employees	Consolidated: 1,075 Non-Consolidated: 661
Services and products	Sales in Japan and import/export of Iron & Steel, Non-ferrous Metals, Electronic materials, Machinery, Industrial tools, Lifestyle goods, Precious metals & Jewelry, Material of construction, and Environment-related goods
Branch locations	Tokyo Head Quarters and 41 branches in Japan, including Hokkaido, Akita, Niigata, Fukushima, Tochigi, Saitama, Kanagawa, Shizuoka, Aichi, Nagano, Osaka, Hiroshima, Okayama, Fukuoka, and Kumamoto
Overseas affiliates	21 overseas locations in China, Hong Kong, Thailand, Vietnam, Korea, Indonesia, India, Singapore, Taiwan, and Malaysia
Banks	Resona Bank, Limited Tokyo-Chuo Branch Joyo Bank, Ltd. Shinjuku Branch Sumitomo Mitsui Banking Corporation Nihonbashi Higashi Branch MUFG Bank, Ltd. Yaesu-dori Branch Mizuho Bank, Ltd. Tokyo Corporate Banking Dept.
Stock listing	Tokyo Stock Exchange Prime Market



Company Profile

Domestic Bases

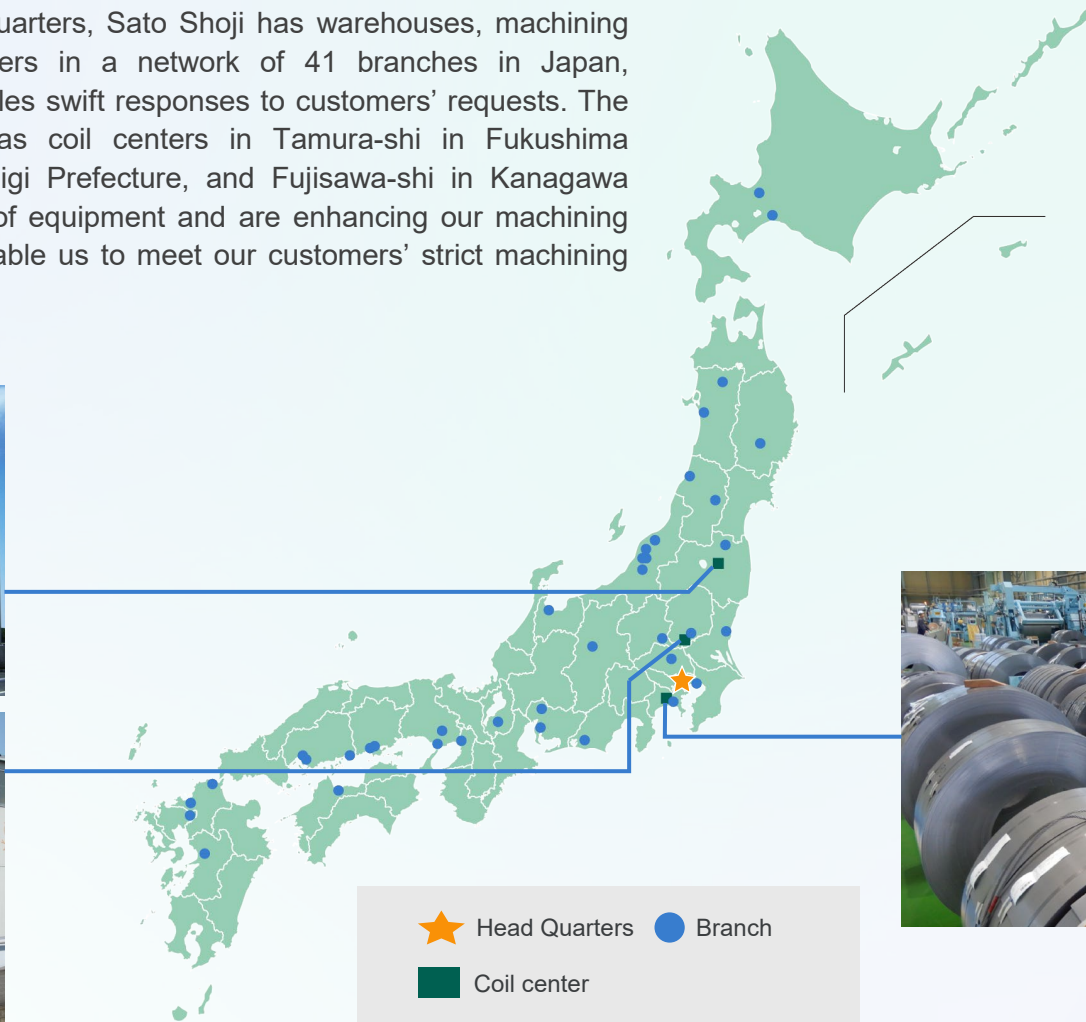
Centered on its Tokyo Head Quarters, Sato Shoji has warehouses, machining facilities, and distribution centers in a network of 41 branches in Japan, establishing a system that enables swift responses to customers' requests. The Iron and Steel Department has coil centers in Tamura-shi in Fukushima Prefecture, Tochigi-shi in Tochigi Prefecture, and Fujisawa-shi in Kanagawa Prefecture. We have a variety of equipment and are enhancing our machining and distribution functions to enable us to meet our customers' strict machining accuracy requirements.

41 branches in Japan

Koriyama Coil Center
Tamura, Fukushima



Tochigi Coil Center
Tochigi, Tochigi



Kanagawa Coil Center
Fujisawa, Kanagawa

Company Profile

Domestic Affiliates

The Sato Shoji Group has 11 subsidiaries and affiliated companies with 14 locations in Japan. They include companies from a variety of industries, with a focus on the Iron & Steel business.

Making effective use of our network of domestic bases and these subsidiaries and affiliated companies spanning the whole of Japan, we will strive to improve sales efficiency and promote the further expansion of our business fields.

1 Consolidated subsidiary

NK TECH NIIGATA K.K.
Iron & Steel product manufacturing

2 Consolidated subsidiary

NIHON YOSHOKKI CO., LTD.
Metal sundries manufacturing

3 Consolidated subsidiary

SATO CHEMIGLASS CORPORATION
Processing and sales of glass materials and synthetic resin products
Tsukuba Techno Center



5 Consolidated subsidiary

DAITO KOGYO CO., LTD.
Steel stock processing and sales

6 Consolidated subsidiary

FUJI JIDOSHA KOGYO CO., LTD.
Automotive components Manufacturing
Atsugi Factory



8 Consolidated subsidiary

METAL ACT CO., LTD.
Iron & Steel sales

9 Consolidated subsidiary

HANSHIN SPECIAL STEEL CO., LTD.
Iron & Steel sales
Utsunomiya branch

10 Consolidated subsidiary

11 Equity method affiliate

INOUE MATERIAL Co., LTD.
Mineral & Metal material sales

12 SATO GENETEC CORPORATION

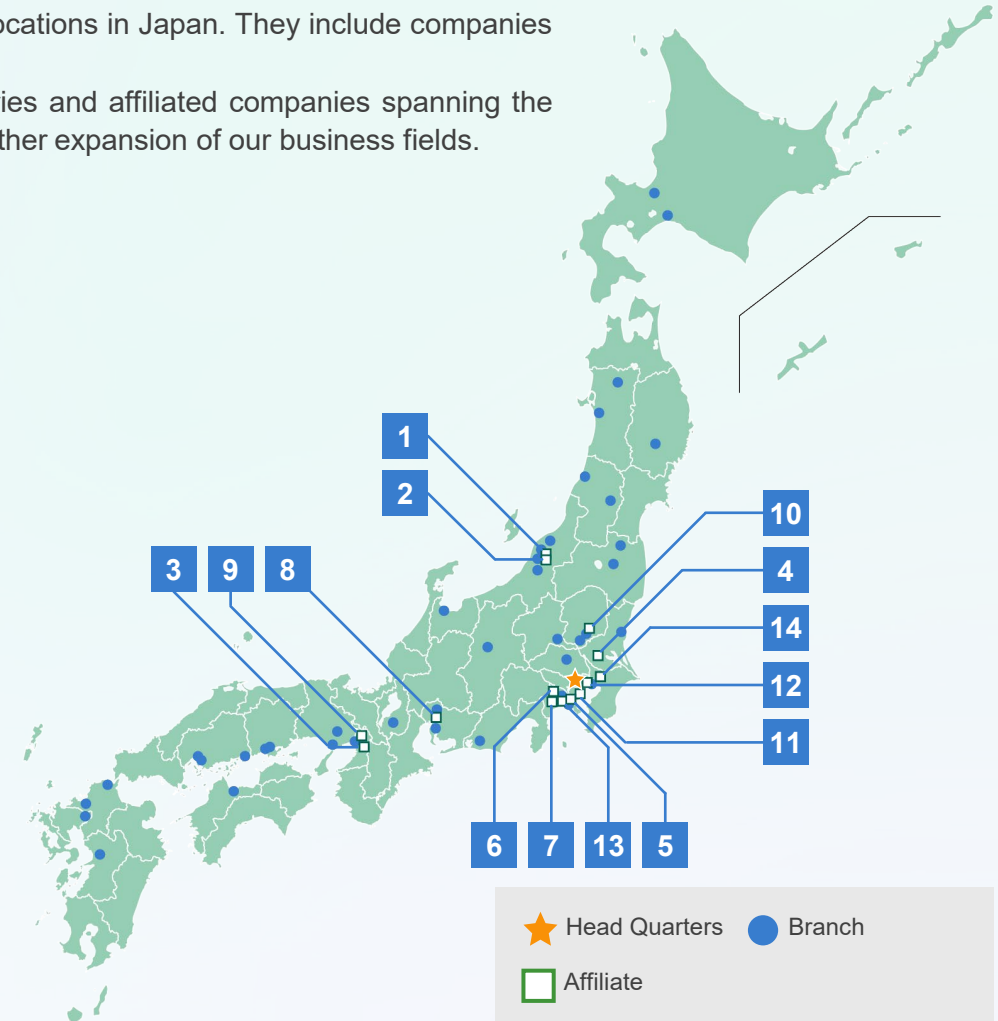
Operation/management of car parking and bicycle parking lots;
Nonlife insurance agent

13 SHONAN KAKOU K.K.

Steel stock processing

14 SEKINE KOZAI K.K.

Steel stock sales



Company Profile

Overseas Bases

Our first step overseas was the establishment of SATO SHOJI HONG KONG CO., LTD. in 2004. Since then, the Sato Shoji Group has established business bases in 21 locations in 10 countries and regions. United as one, the Group will work together to strengthen and expand our overseas business, with a particular focus on the Asian region.

21 overseas locations

● Consolidated subsidiary ● Equity method affiliate

Overseas Sales Companies

- | | |
|--|---|
| <ul style="list-style-type: none"> A SATO SHOJI HONG KONG CO., LTD. ●
Electronic materials sales B SATO SHOJI SHANGHAI CO., LTD. ●
Iron & Steel, Non-ferrous Metals and Electronic materials sales C CHANGZHOU BRANCH
Iron & Steel and Non-ferrous Metals sales; Steel material warehouses D SATO CHEMICAL GLASS (SUZHOU) CO., LTD.
Synthetic resins and Glass products sales E SATO SHOJI (GUANGZHOU) CO., LTD. ●
Electronic materials and Iron & Steel sales F SATO SHOJI KOREA CO., LTD.
Electronic materials and Iron & Steel sales G SATO-SHOJI (THAILAND) CO., LTD. ●
Iron & Steel, Electronic materials, and Non-ferrous Metals sales H SATO TECHNO SERVICE (THAILAND) CO., LTD.
Machining tools sales; Machinery repair services | <ul style="list-style-type: none"> I SATO-SHOJI (VIETNAM) CO., LTD. ●
Non-ferrous Metals and Iron & Steel sales J HANOI BRANCH
Iron & Steel and Non-ferrous Metals sales K SATO SHOJI ASIA PACIFIC PTE. LTD. ●
Electronic materials sales L PT. SATO-SHOJI INDONESIA ●
Iron & Steel and Non-ferrous Metals sales M SATO-SHOJI INDIA PRIVATE LIMITED
Iron & Steel and Non-ferrous Metals sales N BENGALURU BRANCH
Electronic materials sales O PS DEVICE & MATERIAL INC.
Electronic materials sales P SATO SHOJI MALAYSIA SDN. BHD.
Electronic materials sales |
|--|---|

Joint Venture Manufacturing Companies

- | | |
|--|---|
| <ul style="list-style-type: none"> Q SOGABE (SUZHOU) GEAR REDUCER CO., LTD.
Manufacturing of Gear reducers R UCHIDA-SATO TECH (THAILAND) CO., LTD.
Manufacturing of Die holders for forging S YUASA SATO (THAILAND) CO., LTD. ●
Manufacturing of Crankshafts | <ul style="list-style-type: none"> T THAI KJK CO., LTD.
Manufacturing of Automotive components U POLYHOSE SATO SHOJI METAL WORKS PRIVATE LIMITED
Steel stock processing and Can fabrication |
|--|---|



SATO-SHOJI (THAILAND) Electronics Dept. warehouse

Change in Business Segments

Beginning in the fiscal year ending March 2027, we will establish a new Overseas Operations Dept., expanding our business segments from a total of six to seven.

Before change

Iron and Steel Dept.
Non-ferrous Metals Dept.
Electronics Dept.
Machinery and Tools Dept.
Life Sales Dept.
Business Development Dept.

After change

Iron and Steel Dept.	“Iron and Steel” will retain a leading role throughout the 21st century
Non-ferrous Metals Dept.	Proactive development from raw ore into new materials and onto leading-edge high-tech fields
Electronics Dept.	Providing a bridge between innovative technologies and products for our age
Machinery and Tools Dept.	Factory automation advisory services to reinforce manufacturing operations
Life Sales Dept.	We offer a lifestyle based on design
Business Development Dept.	Solutions to environmental problems
NEW Overseas Operations Dept.	Integration of overseas consolidated subsidiaries and tapping into growth markets via overseas business expansion

Sato Shoji's Strengths

Independent metal trading company

From its unique position and competitive strengths as an independent metal trading company that links users and manufacturers directly, Sato Shoji leverages its flexible and wide-ranging procurement capabilities and quick responsiveness to offer high added value to customers.

Customer-oriented service provision

Each department offers flexible services in response to customers needs, providing support to a wide range of customers.



SATOSHOJI

Diversified business portfolio

A key characteristic of Sato Shoji is its diverse divisions, namely the Iron and Steel, Non-ferrous Metals, Electronics, Machinery and Tools, Life Sales, Business Development, and Overseas Operations departments, which work for different industries and customer segments. This diversification helps avoid reliance on a single market and diffuses risks.

Domestic and overseas network with about 60 locations

With 41 locations in Japan and 21 locations overseas, we place importance on a regionally focused approach. In particular, we are expanding our business in the rapidly growing Asian region and enhancing our competitiveness amid the progress of globalization.

Reliability as a partner

Our diversified business operations, including Iron and Steel, Non-ferrous Metals, Electronics, Machinery and Tools, and Life Sales, have enabled Sato Shoji to be more than just a supplier of goods for corporate customers and become their comprehensive business partner.

Disclaimer

- The purpose of this material is to provide information about business performance, and it is not intended as a solicitation of investment in the securities issued by the Company.
- The information and forecasts presented in this material are based on information available to the Company at the time of preparing the material, and they contain certain judgments made by the Company. No guarantee is given as to the accuracy of the information, and actual performance and results may differ due to various future factors.
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