Financial Results Briefing for the First Quarter of the Fiscal Year Ending March 2026

July 29, 2025

KROSAKI HARIMA CORPORATION

(Securities Code: 5352)

K-GenesisX

KROSAKI

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[Regarding figures presented in this document]
Monetary amounts presented in this document have been rounded down to the unit indicated, and percentages have been rounded off to one decimal place, except where otherwise indicated.

Overview of the Financial Results for the 1Q of the Fiscal Year Ending March 2026 (Consolidated)

(Billions of yen)

	1Q of FY2024	1Q of FY2025	Year-on-year change	
Net sales	43.93	44.01	+ 0.07	+ 0.2%
Operating profit	3.12	3.53	+ 0.41	+ 13.4%
Ordinary profit	3.56	3.90	+ 0.34	+ 9.7%
Profit*1	2.15	2.50	+ 0.35	+ 16.3%
ROS*2	8.1%	8.9%	+ 0.8pt	
ROE*3	9.8%	10.6%	+ 0.8pt	
ROIC*4	7.6%	8.0%	+ 0.4pt	

Business Environment

- Domestic total crude steel output (1Q of FY2025): 20.15 million tons (down 5.1% year on year)
- Worldwide crude steel output (January to June 2025): 934.30 million tons (down 2.2% year on year)
- Total crude steel output in India (January to June 2025): 80.90 million tons (up 9.2% year on year)

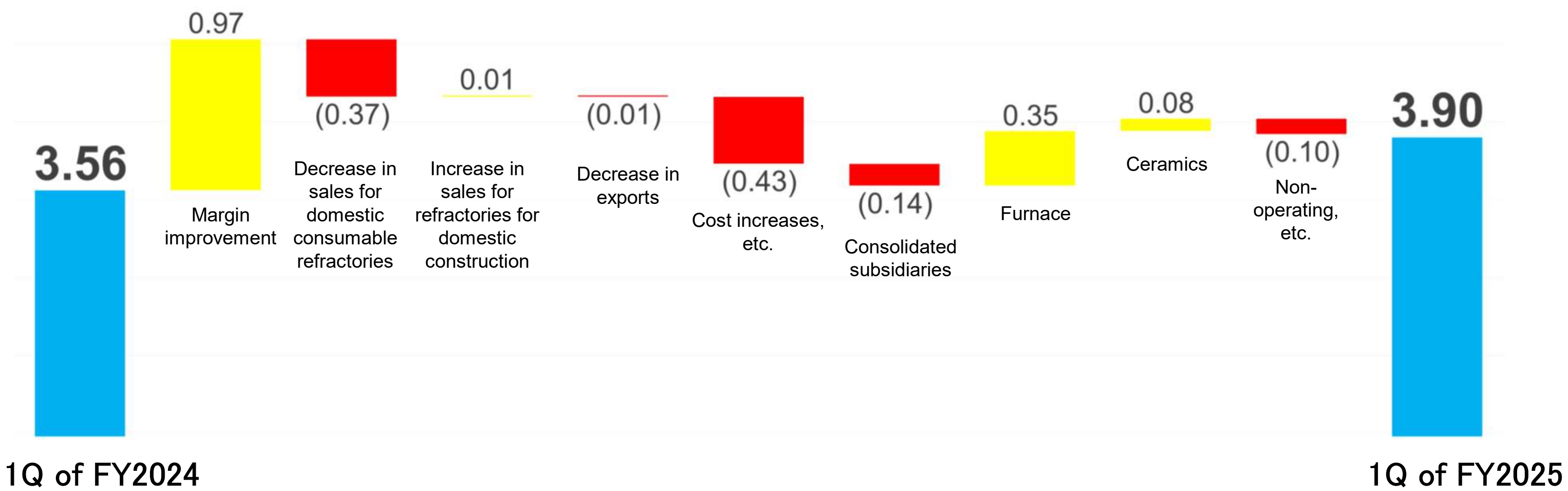
*1: Profit attributable to owners of parent *2: Return on sales (ordinary profit to net sales ratio) *3: Return on equity *4: Return on invested capital

Analysis of Factors Causing Change in Ordinary Profit [1Q of FY2024 vs. 1Q of FY2025] (Consolidated)

Despite the decrease in domestic and overseas crude steel output, underlying profit in the Refractories business increased due to the steady passing on of cost increases such as for raw materials and energy to selling prices, as well as efforts to expand sales in India and other initiatives. However, profit in the Refractories business remained unchanged from a year earlier due to the decline in yen-converted profit reflecting the appreciation of the yen. Meanwhile, overall ordinary profit increased year on year, mainly owing to an upward revision in maintenance unit prices and an increase in construction projects in the Furnace business, as well as a recovery in orders received for materials for electronic components in the Ceramics business.

(Billions of yen)

Profit increase of ¥0.34 billion



Performance by Segment (Consolidated)

(Billions of yen)

		1Q of FY2024	1Q of FY2025	Year-on-year change	
Refractories	Net sales	**38.16**	**37.55**	**(0.61)**	**(1.6)%**
	Segment profit	**2.89**	**2.89**	**(0.00)**	**(0.0)%**
Furnace	Net sales	**3.53**	**4.24**	**+0.71**	**+20.2%**
	Segment profit	**0.04**	**0.39**	**+0.35**	**+751.3%**
Ceramics	Net sales	**1.79**	**2.03**	**+0.24**	**+13.6%**
	Segment profit	**0.02**	**0.10**	**+0.07**	**+302.9%**
Real estate and others	Net sales	**0.44**	**0.18**	**(0.26)**	**(59.0)%**
	Segment profit	**0.15**	**0.15**	**(0.00)**	**(0.3)%**
Total	Net sales	**43.93**	**44.01**	**+0.07**	**+0.2%**
	Segment profit	**3.12**	**3.53**	**+0.41**	**+13.4%**

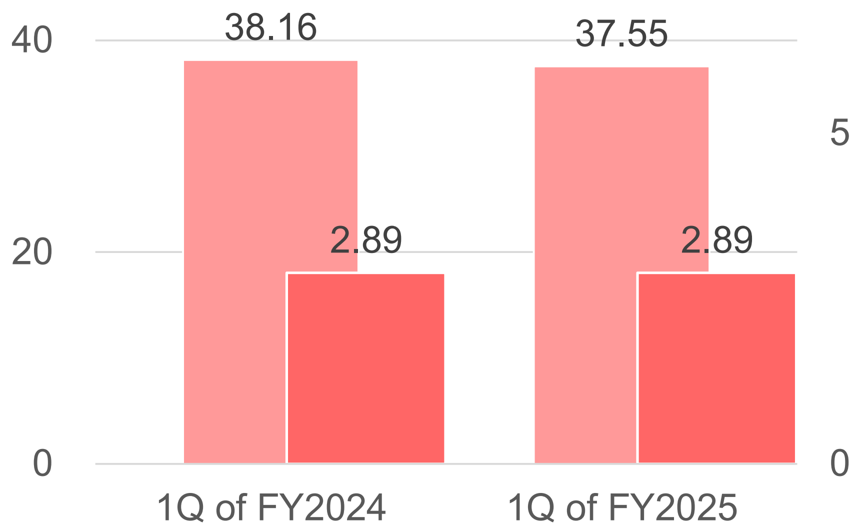
Note: The net sales of each segment represent sales to external customers and do not include inter-segment sales or transfers. The amounts of segment profit are based on operating profit.

Overview of Refractories Segment

Business Results

(Billions of yen)

	1Q of FY2024	1Q of FY2025	Year-on-year change	
Net sales	38.16	**37.55**	(0.61)	(1.6)%
Operating profit	2.89	**2.89**	(0.00)	(0.0)%



Review

- Despite the decrease in domestic and overseas crude steel output, underlying sales increased due to the steady passing on of cost increases such as for raw materials and energy and sales expansion in India. However, net sales decreased due to the decline in yen-converted sales reflecting the appreciation of the yen. Segment profit remained unchanged.

Initiatives for the Future

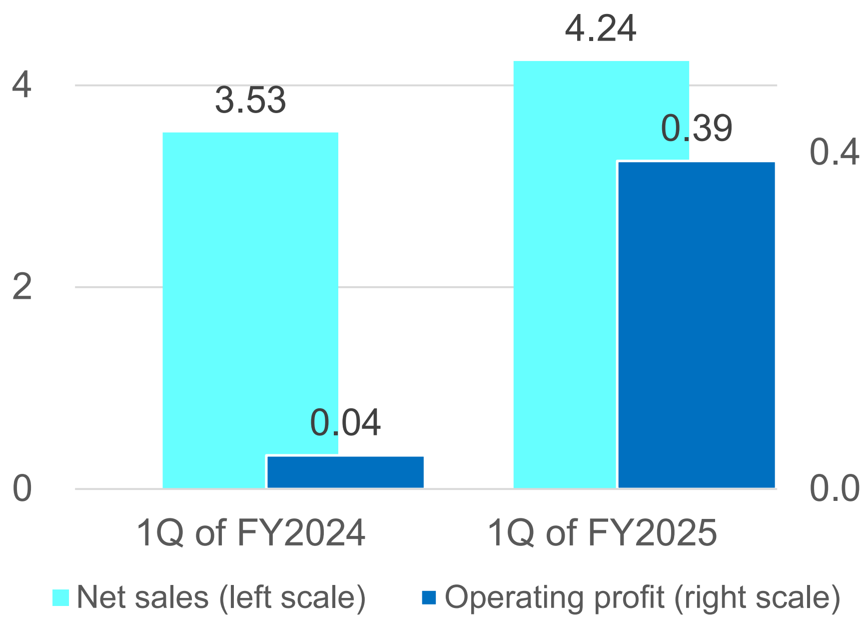
- In Japan, further enhance competitiveness through the promotion of automation, laborsaving, and digital transformation, as well as market launch of new products by using our technological strength, and strengthen revenue base.
- In India, strengthen production capacity to capture growing demand.
- In Europe and the Americas, work to further expand business revenue through deepening collaboration between alliance partner companies and our manufacturing and sales bases.

Overview of Furnace Segment

Business Results

(Billions of yen)

	1Q of FY2024	1Q of FY2025	Year-on-year change	
Net sales	3.53	**4.24**	+0.71	+20.2%
Operating profit	0.04	**0.39**	+0.35	+751.3%



Review

- Both sales and profit increased due to an upward revision in maintenance unit prices and an increase in construction projects.

Initiatives for the Future

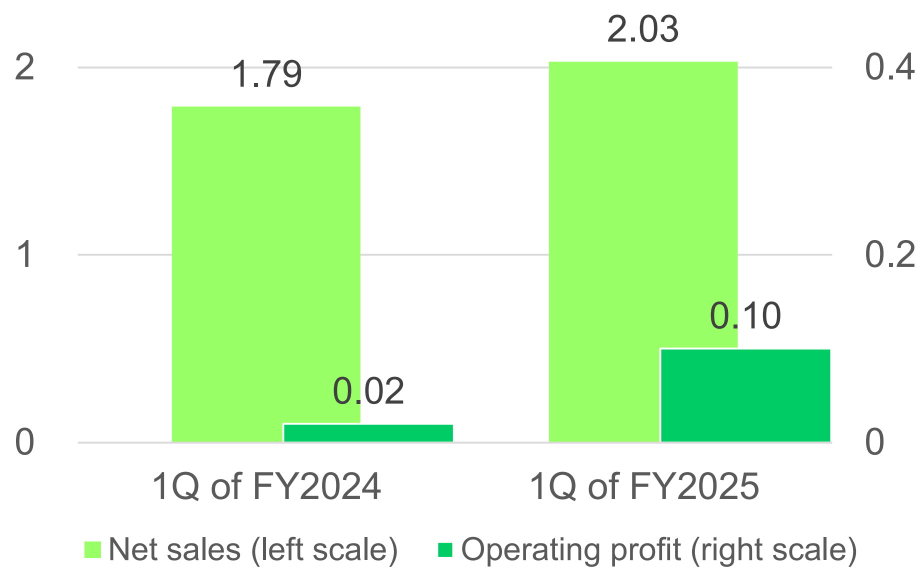
- Increase earning power by steadily capturing large-scale construction projects, continuing to receive orders for maintenance work for steel facilities, and reducing costs through personnel optimization, etc.
- Expand revenue through orders received for maintenance and new projects for non-ferrous materials users such as biomass and other power generation boilers and incinerators, in addition to the design and construction of energy-saving industrial furnaces.

Overview of Ceramics Segment

Business Results

(Billions of yen)

	1Q of FY2024	1Q of FY2025	Year-on-year change	
Net sales	1.79	**2.03**	+0.24	+13.6%
Operating profit	0.02	**0.10**	+0.07	+302.9%



Review

- Both sales and profit increased mainly due to a recovery in orders for materials for electronic components.

Initiatives for the Future

- The US Semiconductor Equipment and Materials International (SEMI*) announced in December its forecast that net sales of semiconductor manufacturing equipment would grow to an all time high of 136.0 billion dollars (over 20 trillion yen) in 2026.
  We will steadily capture the growing demand for ceramics primarily for semiconductor lithography equipment.
- We will further grow revenue by driving sales expansion in each field, including thermal insulation materials for the environmental field, ceramic materials for electronic components, and products for new fields such as aerospace and health care.

*SEMI: Semiconductor Equipment and Materials International

THANK YOU

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