

Vision 2030

New Initiatives for Further Improvement of Corporate Value

New Initiatives to Realize the Vision 2030

(announced in November 2023)

Vision 2030:

A company that achieves and solidifies its No.1 position globally in structural steel (volume and profitability), and continues to embrace challenges in new business areas

Ongoing efforts to realize carbon neutrality and a circular economy

- Improvement of environmental superiority by electric furnace through accelerated introduction of green technology/energy
- Collaboration with companies owning cutting-edge technologies, joint R&D with universities, etc.

Strengthening of core structural steel business

- Expansion of sales in growing regions such as Asia (establishing new mills, strengthening competitiveness of existing mills)
- Maintaining and enhancing profitability through advanced operation know-how and cutting-edge technologies

Entry into new steel, infrastructure, and green business areas

- Expansion of product portfolio besides structural steel, strengthening of value chain, and acquisition of technology
- Active M&A in Japan and overseas

Development and securing of professional personnel carrying on new initiatives

Creation of new value and contribution to the realization of a rich society as a global company

Timeline Toward Realizing Vision 2030

Strengthening of core structural steel business



Established GYS (Indonesia)



Started strategic capital investment (related to rolling line)
Promoted collaboration with the JFE Steel group



Selected India as a candidate location for expansion

Vision 2030

Announced Medium- to Long-Term Business Outlook, Investment Strategy and Cash Allocation Policy
(May 2022)

Entered new business areas

- Started exploring collaborations with start-ups through equity investment in the fund managed by Emerald of Switzerland
- Executed investment in Electra of the U.S.

Formulated Vision 2030
(November 2023)

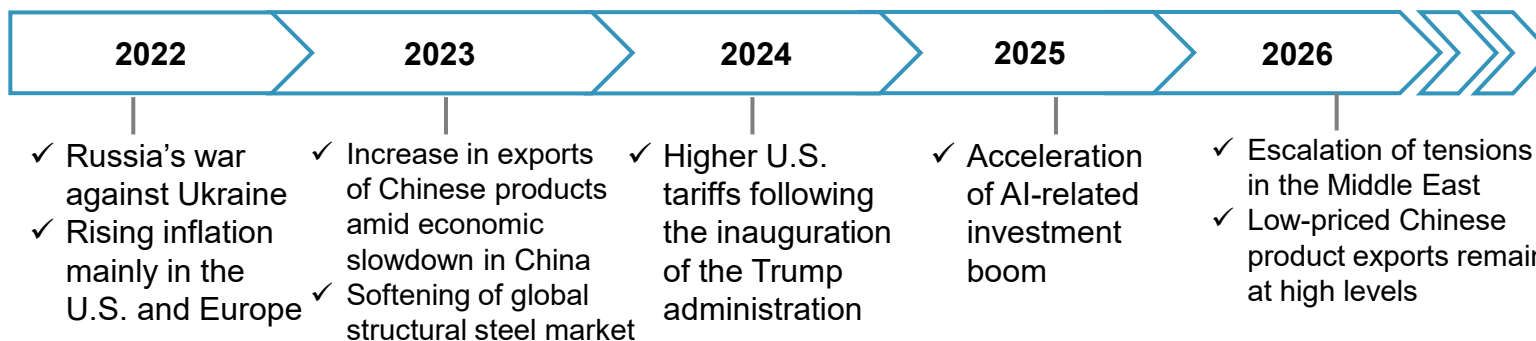
New



Executed investment in Salix of Australia

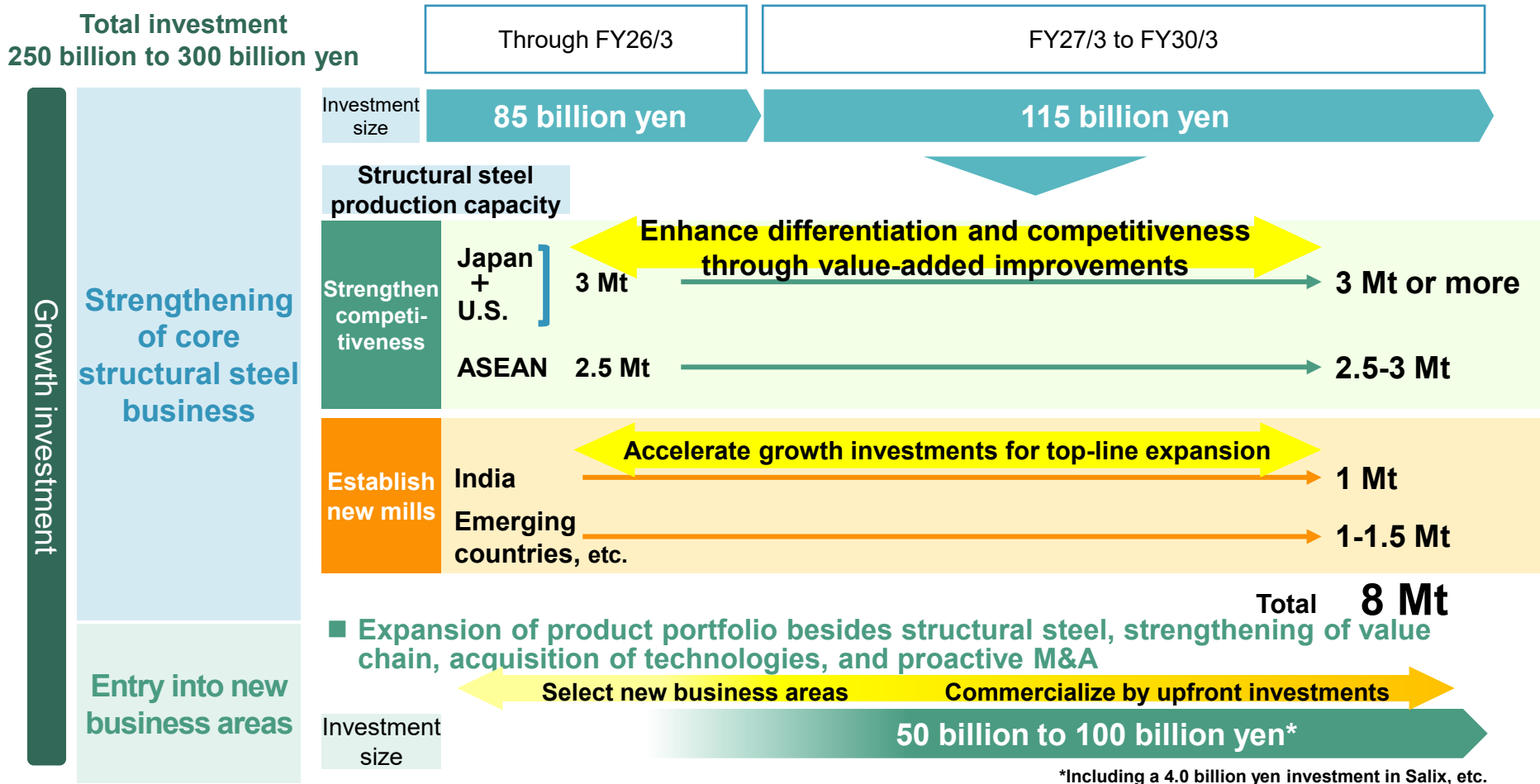
(Overseas expansion of trackwork products)

External environment (key topics)



Road Map to Achieve Vision 2030

- No change to the basic policy outlined in the road map to achieve Vision 2030.
- While having withdrawn from the Middle East, we are expanding production bases in India, emerging countries and other areas, and restructuring the business portfolio to achieve sustainable growth globally.



*Including a 4.0 billion yen investment in Salix, etc.

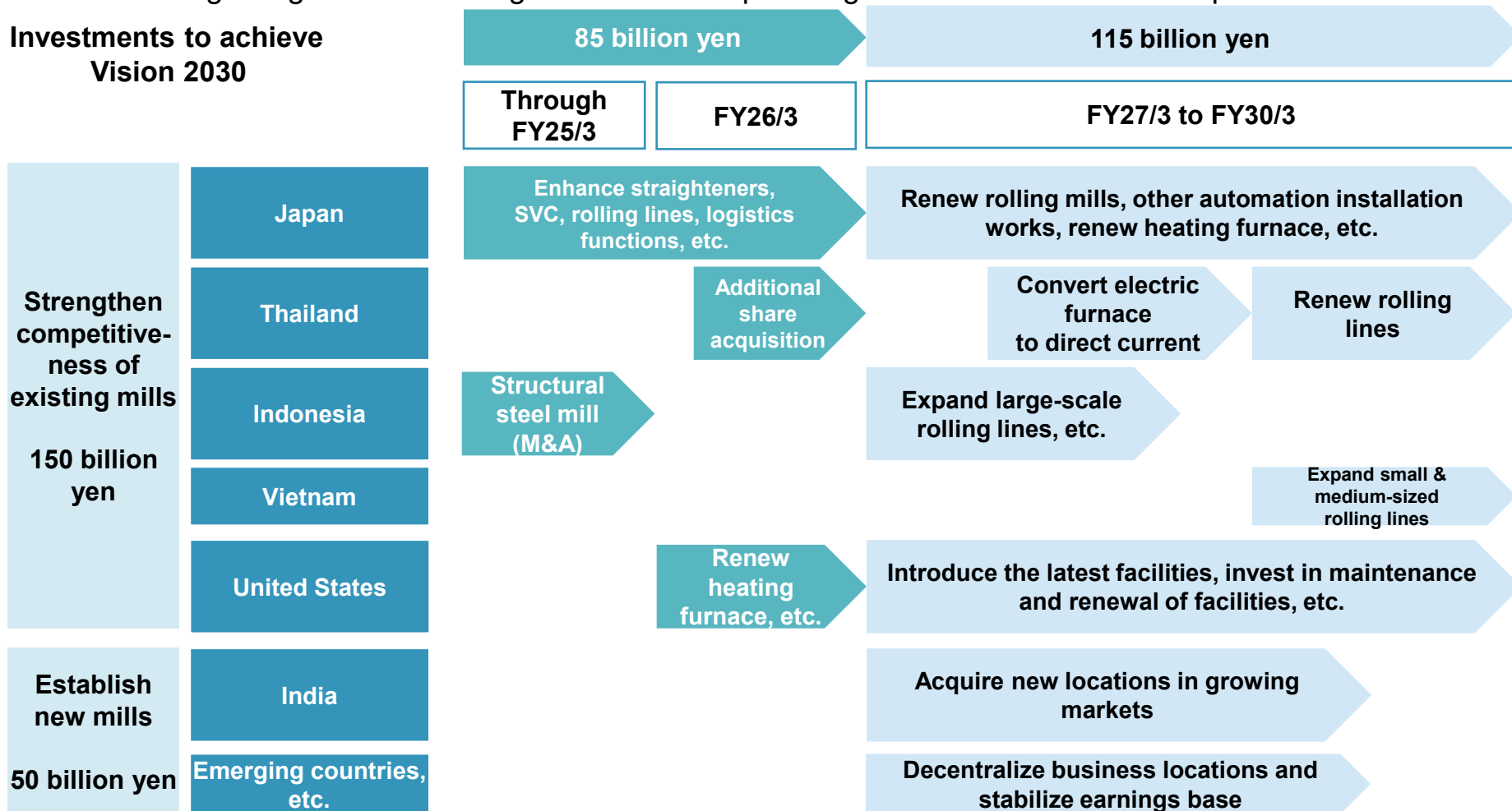
Financial strategy

Maintain ROE of 10 or more and support growth investments flexibly

Key Investments to Strengthen Core Businesses

- Invest strategically to solidify our position as the global leader in the structural steel market with a share of approx. 30% in the global market (excluding China, which is outside our target).
- Prioritize organic growth at existing locations while pursuing M&A for new locations in parallel.

Investments to achieve Vision 2030



Strengthening of Core Businesses – Existing Locations/United States

The position and strengths of NYS

- ✓ Established **a leading position** in the vast U.S. market by leveraging high production capacity and technological strengths
- ✓ Leveraging proactive capital investment and technological capabilities **to develop and manufacture high value-added products, improve quality, and enhance production efficiency**

Major capital investments: QST(Quenching and Self-Tempering),

Renewal of heating furnace

High value-added products: Only NYS can produce in the U.S.

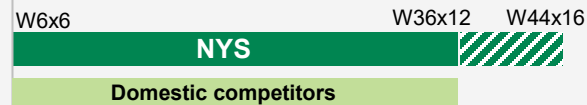
large-size products, high-strength and high-weldability products (AEOS™)

*Agile, Efficient, Optimized, Sustainable

NYS size chart

 Range of products that can only be produced by NYS within the U.S.

H-beam



H-pile



Jumbo beam (W14x16) Kg/m



Product differentiation

Focusing on high value-added products that capture customer needs^{*1}

Improving profitability

Production know-how

Enhancing production efficiency supported by order backlogs at high levels

Improving productivity

Price strategy

Agile price revisions reflecting market environment^{*2}

Enhancing metal margins

^{*1} Benefits of using AEOS: Shortened construction periods through significant reductions in preheating time before welding

^{*2} Price trends (base size): As of January 2025: 1,265 USD
As of April 2026: 1,600 USD

8 revisions in total

(Reference) Strengthening of Core Businesses – Existing Locations/United States

Approx.

5.5 to 6 Mt (Estimated by Yamato Kogyo)

Large-scale construction projects:
data centers, stadiums, etc.

Infrastructure investments:
bridges, harbors, etc.

NYS

2.3 Mt

Nucor Berkeley 0.6 Mt

Other two companies 3.3 Mt

(including structural steel except for
H-beam, estimated by Yamato Kogyo)

H-beam
market size

U.S.
companies'
production
capacity

Medium- to Long-Term Outlook for the U.S. Business

Continue to leverage our strengths in markets with solid demand, where the supply–demand balance is expected to be maintained, **securing stable, high profitability**

Trade
barriers

NYS's
strengths

- **Additional 50% tariffs on imports (75% for Chinese products)**

* Fabricated steel is also subject to the tariff.

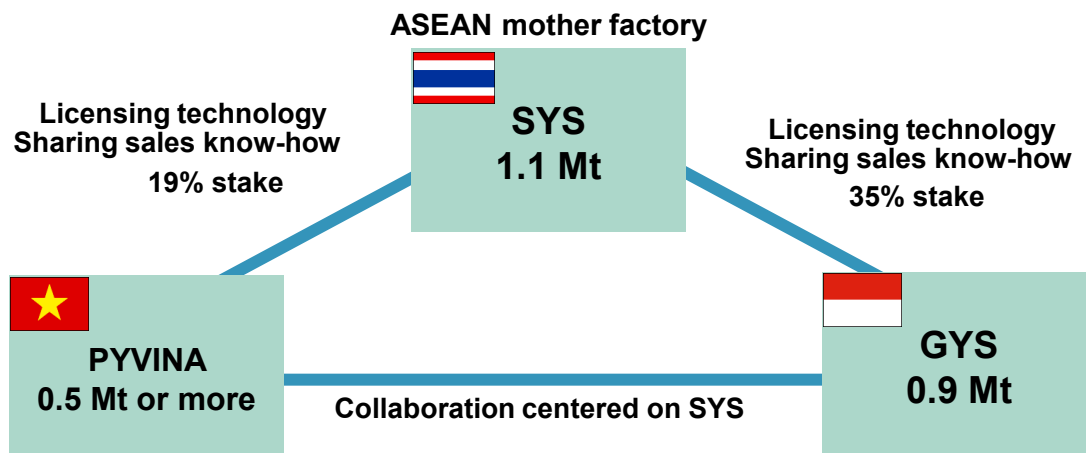
⇒ An improvement in the market conditions, and a decline in the share of imports

- **A leading company in the market**
- **High value-added products**
- **An integrated sales structure as the Nucor group**

Strengthening of Core Businesses – Existing Locations/Three locations in ASEAN

Amid ongoing intense competition with inexpensive Chinese products, we aim to expand our market share in the region and build a second earnings pillar by promoting each company's growth strategies and further pursuing intra-group synergies.

Framework for ASEAN 3-million-ton structural steel strategy



[Initiatives to maximize synergies]

Manufacturing

Enhance quality and productivity by sharing advanced operational know-how

Sales

Maximize earnings by supplying products and semi-finished products between the three locations (Thailand, Indonesia, Vietnam)

Procurement

Ensure stable procurement and reduce costs through collaboration and cooperation

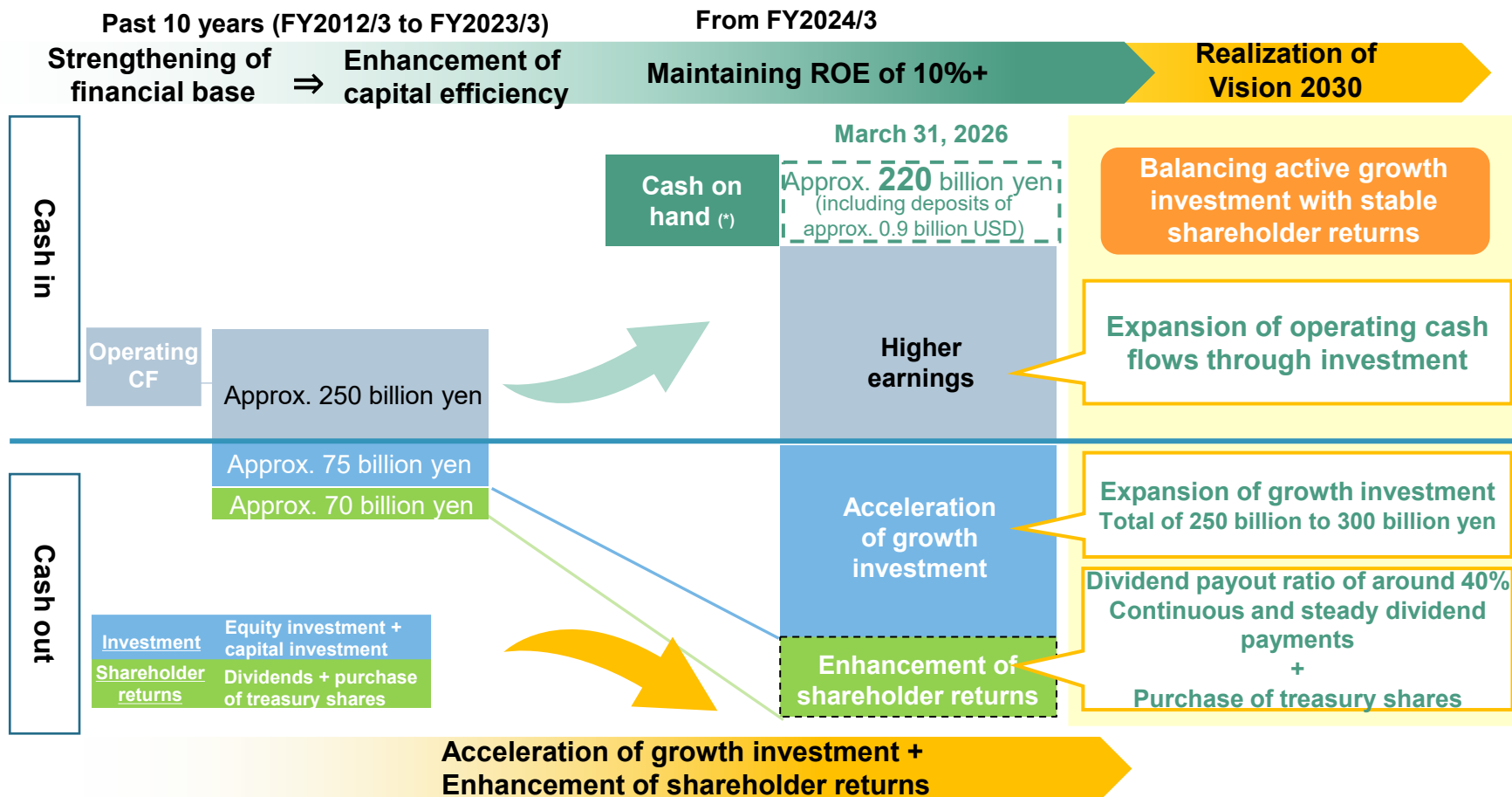
[Business strategy and progress]

- Enhance sales of high value-added products (including earthquake-resistant products)
⇒ Capture emerging demand for data centers
- Promote sales volume expansion through product line enhancement and strengthening of sales network
- Steady progress in operational improvements led by SYS

[Trade barriers against Chinese H-beam]

	<u>Tariff rate</u>	<u>Expiration date</u>
Thailand	30.86% -54.19%	Nov. 2030
Indonesia	11.93%	Oct. 2029
Vietnam	13.38% -33.51%	Sep. 2027

Strategic Cash Allocation for Enhancement of Corporate Value



$$\text{ROE} = \text{Profit margin} \times \text{Asset turnover} \times \text{Financial leverage}$$

- Profit margin:**
 - Increase the value-added
 - Expand business areas
- Asset turnover:**
 - Accelerate growth investment
- Financial leverage:**
 - Enhance shareholder returns

Growth strategies are interlinked.