



Metal One Corporation and Subsidiaries
Financial Results for the Year Ended December 2005
Third Term
(January 1, 2005 to December 31, 2005)

March 16, 2006

3-23-1 Shiba, Minato-ku, Tokyo

Metal One Corporation

Consolidated Balance Sheet

(In ¥ million)

Assets				Liabilities, Minority Interests and Shareholders' Equity			
Item	Previous fiscal year (December 31, 2004)	Current fiscal year (December 31, 2005)	Change (amount)	Item	Previous fiscal year (December 31, 2004)	Current fiscal year (December 31, 2005)	Change (amount)
Current assets	873,618	919,117	45,499	Current liabilities	785,032	811,259	26,227
Cash and deposits	37,181	30,548	-6,633	Notes and accounts payable	427,680	422,927	-4,753
Notes and accounts receivable	682,035	714,787	32,752	Short-term loans	310,696	343,185	32,489
Inventories	132,236	151,891	19,655	Advances receipts	3,234	2,609	-625
Advance payments	3,314	3,011	-303	Accrued expenses	5,367	4,437	-930
Short-term loans	2,212	1,388	-824	Other accounts payable	18,902	16,213	-2,689
Other accounts receivable	15,036	12,550	-2,486	Income taxes payable	10,505	12,101	1,596
Deferred income taxes	6,211	5,701	-510	Other	8,648	9,787	1,139
Other current assets	5,341	6,258	917				
Allowance for doubtful receivables	-9,948	-7,017	2,931	Long-term liabilities	89,506	97,345	7,839
Fixed assets	217,749	261,290	43,541	Long-term loans	52,519	58,430	5,911
Tangible assets	84,412	92,985	8,573	Reserve for retirement allowance	2,902	2,389	-513
Intangible assets	11,354	10,837	-517	Deferred tax liabilities	20,837	33,796	12,959
Goodwill	2,212	628	-1,584	Other	13,248	2,730	-10,518
Other intangible fixed assets	9,142	10,209	1,067				
Investments and other assets	121,983	157,468	35,485	Total liabilities	874,538	908,604	34,066
Investments	113,121	149,058	35,937	Minority interests	19,206	24,884	5,678
Long-term loans	4,037	2,454	-1,583	Common stock	100,000	100,000	0
Long-term receivables	1,940	1,766	-174	Capital surplus	50,000	50,000	0
Deferred income taxes	1,980	1,214	-766	Retained earnings	30,804	55,226	24,422
Other	6,542	8,443	1,901	Net unrealized gains on securities	20,975	40,251	19,276
Allowance for doubtful receivables	-5,637	-5,467	170	Foreign currency translation adjustments	-4,156	1,442	5,598
				Total shareholder's equity	197,623	246,919	49,296
Total assets	1,091,367	1,180,407	89,040	Total liabilities, minority interests and shareholders' equity	1,091,367	1,180,407	89,040

Statement of Consolidated Income

(In ¥ million)

Item	Previous fiscal year January 1, 2004 to December 31, 2004	Current fiscal year January 1, 2005 to December 31, 2005	Year-on-year	
			Change (amount)	Change (percentage)
Sales	2,277,944	2,576,636	298,692	13.1%
Costs of sales	-2,154,511	-2,447,795	-293,284	13.6%
Gross profit	123,433	128,841	5,408	4.4%
(Gross profit ratio)	(5.4%)	(5.0%)		
Selling, general and administrative expenses	-78,891	-79,314	-423	0.5%
Operating income	44,542	49,527	4,985	11.2%
Non-operating income	8,379	10,760	2,381	28.4%
(Interest income)	(745)	(720)	-25	-3.4%
(Dividends income)	(1,396)	(1,850)	454	32.5%
(Equity in earnings of affiliates)	(3,893)	(5,023)	1,130	29.0%
(Other non-operating income)	(2,345)	(3,167)	822	35.1%
Non-operating expenses	-5,446	-7,047	-1,601	29.4%
(Interest expense)	(- 3,357)	(- 4,277)	-920	27.4%
(Other non-operating expenses)	(- 2,089)	(- 2,770)	-681	32.6%
Ordinary income	47,475	53,240	5,765	12.1%
Extraordinary gain	5,225	9,004	3,779	72.3%
Extraordinary loss	-8,640	-4,313	4,327	-50.1%
Income before income taxes	44,060	57,931	13,871	31.5%
Income taxes:				
Current	-15,836	-19,245	-3,409	21.5%
Deferred	-1,903	-1,188	715	-37.6%
Minority interests	-3,617	-4,599	-982	27.1%
Net income	22,704	32,899	10,195	44.9%

Balance Sheet

(In ¥ million)

Assets				Liabilities and Shareholders' Equity			
Item	Previous fiscal year (December 31, 2004)	Current fiscal year (December 31, 2005)	Change (amount)	Item	Previous fiscal year (December 31, 2004)	Current fiscal year (December 31, 2005)	Change (amount)
Current assets	483,346	479,989	-3,357	Current liabilities	421,987	410,598	-11,389
Cash and deposits	2,147	1,597	-550	Notes payable	43,295	33,784	-9,511
Notes receivable	99,422	84,047	-15,375	Accounts payable	212,627	204,628	-7,999
Accounts receivable	325,820	354,723	28,903	Short-term loans	143,875	147,490	3,615
Inventories	22,194	26,401	4,207	Advance receipts	829	526	-303
Other accounts receivable	10,759	2,588	-8,171	Other accounts payable	13,222	9,723	-3,499
Short-term loans	28,204	10,254	-17,950	Income taxes payable	2,272	2,330	58
Deferred tax assets	3,453	2,140	-1,313	Other current liabilities	5,867	12,117	6,250
Other	4,952	8,900	3,948	Fixed liabilities	52,666	69,954	17,288
Allowance for doubtful receivables	-13,605	-10,661	2,944	Long-term loans payable	41,372	46,504	5,132
Fixed assets	170,076	200,749	30,673	Other fixed liabilities	11,294	23,450	12,156
Tangible assets	3,560	2,335	-1,225	Total of liabilities	474,653	480,552	5,899
Intangible assets	5,963	6,673	710	Common stock	100,000	100,000	0
Investments and other assets	160,553	191,741	31,188	Capital surplus	50,000	50,000	0
Investment securities	95,131	125,199	30,068	Retained earnings	8,890	12,286	3,396
Equity in subsidiaries	56,489	58,914	2,425	Net unrealized gains on securities	19,879	37,900	18,021
Long-term loans	2,722	2,953	231				
Long-term receivables	4,523	6,532	2,009	Total shareholders' equity	178,769	200,186	21,417
Other	3,188	4,291	1,103	Total liabilities and shareholders' equity	653,422	680,738	27,316
Allowance for doubtful receivables	-1,500	-6,148	-4,648				
Total assets	653,422	680,738	27,316				

Statement of Income

(In ¥ million)

Item	Previous fiscal year January 1, 2004 to December 31, 2004	Current fiscal year January 1, 2005 to December 31, 2005	Year-on-year	
			Change (amount)	Change (percentage)
Sales	1,457,422	1,537,260	79,838	5.5%
Cost of sales	-1,423,084	-1,499,856	-76,772	5.4%
Gross profit	34,338	37,404	3,066	8.9%
(Gross profit ratio)	(2.4%)	(2.4%)		
Selling, general and administrative expenses	-21,541	-23,130	-1,589	7.4%
Operating income	12,797	14,274	1,477	11.5%
Non-operating income	2,926	6,552	3,626	123.9%
(Interest income)	(644)	(668)	24	3.7%
(Dividends income)	(2,030)	(5,685)	3,655	180.0%
(Other non-operating income)	(252)	(199)	-53	-21.0%
Non-operating expenses	-2,063	-2,516	-453	22.0%
(Interest expense)	(- 820)	(- 808)	12	-1.5%
(Other non-operating expenses)	(- 1,243)	(- 1,708)	-465	37.4%
Ordinary income	13,660	18,310	4,650	34.0%
Extraordinary gain	3,994	4,417	423	10.6%
Extraordinary loss	-5,514	-5,129	385	-7.0%
Income before income taxes	12,140	17,598	5,458	45.0%
Income taxes:				
Current	-3,894	-4,856	-962	24.7%
Deferred	171	-945	-1,116	-652.6%
Net income	8,417	11,797	3,380	40.2%