

**Consolidated Financial Results for the First Half of FY2013**

(Based on Japanese GAAP)

Metal One Corporation (headquartered in Minato-ku, Tokyo; President: Naoto Matsuoka) is pleased to announce the results of consolidated performance for the first half of FY2013 (April to September) as follows:

**Outline of Consolidated Financial Results for the First Half of FY2013****[Overview]**

The environment the steel industry faced from April through September, the first half of FY2013, was characterized by continuing slack supply and demand conditions in Asia as a result of a glut of facilities and rising production in China and new mills coming on line in South Korea. Trade friction problems that spread from Asia to North America added to the severity of the situation.

However, in Japan, construction sector steel demand rose due to post-earthquake reconstruction, the expansion of government pump priming measures, and flourishing residential and condominium construction prior to the consumption tax rate increase. Automotive industry demand and demand from other manufacturing industries remained firm overall, and export competitiveness also received a boost from corrections to the yen rate.

In the midst of this business climate, Metal One's consolidated financial results for the first half of FY2013 exceeded the same period of the previous year, with sales, gross profit, operating income and ordinary income all up. Net income came to ¥10.1 billion, an increase of ¥2.6 billion from the previous year.

**[Key items in the consolidated income statement]**

Regarding the main items in the consolidated FY2013 first half income statement, sales rose ¥71.9 billion, or 6.1 percent, to ¥1.2473 trillion. Rising ¥8.7 billion compared to the year before, gross profit of ¥63.4 billion was up 16 percent. Operating income was up ¥3.6 billion (26.6 percent) compared to the previous year at ¥17.3 billion. Ordinary income of ¥15.9 billion rose ¥1 billion compared to the year before, up 6.5 percent.

After deducting taxes of ¥6.7 billion and other expenses, net income rose ¥2.6 billion compared to the previous year, or 34 percent, to ¥10.1 billion.

(Unit: ¥ million)

Item	First half of FY2013 (Apr. to Sep.)	Reference First half of FY2012
Sales	1,247,262	1,175,398
Gross profit	63,396	54,659
Operating income	17,349	13,700
Ordinary income	15,929	14,954
Net income	10,143	7,570

**[Main items in the consolidated balance sheet]**

Consolidated total assets fell by ¥17.6 billion to ¥1.0676 trillion at the end of the first half of FY2013 compared to the end of the previous fiscal year due to a decline in accounts receivable and inventories, while consolidated interest-bearing debt also fell by ¥8.6 billion to ¥334.9 billion.

On the other hand, total net assets excluding minority interests increased ¥7.7 billion to ¥298.1 billion compared to the end of the previous consolidated accounting period due to increases in net unrealized gains on securities and foreign currency translation adjustments.

**Outlook for Consolidated Performance for the Entire Fiscal Year**

Although expectations are that the conditions the steel industry faces in the second half will remain favorable, we will refrain from announcing full-year projections as we did at the start of the year. However, we will exert every effort to achieve further performance gains.