

November 15, 2022

Consolidated Financial Results for the First Half of FY2022

Metal One Corporation

Metal One Corporation (headquartered in Chiyoda-ku, Tokyo; President & CEO, Ko Imamura) is pleased to announce its consolidated results for the first half (April to September) of FY2022. Details are provided below.

Overview of Consolidated Financial Results for the First Half of FY2022

Business environment

Steel demand in the United States and Europe has been negatively affected by concerns over economic deceleration in the face of interest rate hikes undertaken to counter ongoing inflation. Demand in China remained stagnant, with the government's "zero-COVID" policy hindering recovery. However, demand in Southeast Asia was buoyed by such factors as improvement in domestic demand and thus got on a recovery track. Domestic steel demand rose year on year in the construction and industrial machinery sectors due to gradual economic recovery backed by progress in the normalization of economic activities, while demand was down year on year in the automotive sector due to supply constraints impacting semiconductors and other parts. Steel market prices remained high on the back of surging raw material prices.

Consolidated statement of income

Looking at key items in the consolidated statement of income, there were increases in revenue, gross profit and profit attributable to owners of parent compared with the same period of the previous fiscal year. The increases were attributable to higher sales prices and the depreciation of the yen under the business environment described above. The figures are presented below under IFRS.

(Unit: ¥ millions)

Item	First half of FY2022 (Apr. to Sep.)	First half of FY2021 (Apr. to Sep.)	Fluctuation
Revenue	1,174,699	944,711	+229,988
Gross profit	69,523	58,316	+11,207
Profit for the period attributable to owners of parent	22,484	19,249	+3,235

Consolidated statement of financial position

Total assets as of September 30, 2022 stood at ¥1,221.1 billion, an increase of ¥109.3 billion from March 31, 2022. This increase was mainly attributable to increases in trade receivables and inventories. Consolidated interest-bearing liabilities rose by ¥85.9 billion, to ¥417.5 billion.

Equity attributable to owners of the parent increased ¥10.0 billion from March 31, 2022, to ¥410.3 billion. This was mainly due to an increase in exchange differences on translating foreign operations.

Consolidated Performance Outlook for the Entire Fiscal Year

As for the business environment and market conditions in the second half of FY2022, uncertainty lingers about the future status of steel demand and supply due to higher steel raw material prices, monetary tightening undertaken in many countries, global shortages of semiconductors, and other factors.

Accordingly, we will refrain from announcing full-year numerical projections.

For inquiries about this results announcement:

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