

Consolidated Financial Results for the First Half of FY2023

Metal One Corporation (headquartered in Chiyoda-ku, Tokyo; President & CEO: Keisuke Kitamura) announces its consolidated financial results for the first half (April to September) of FY2023. Details are provided below.

Overview of Consolidated Financial Results for the First Half of FY2023

Business Environment

In the first half (April–September) of FY2023, global steel demand increased slightly year on year due to a recovery in the manufacturing industry and infrastructure investment in various countries. Compared with initial forecasts, however, performance seemed to stagnate due to the stalling Chinese real estate market, inflation, and financial tightening. In addition, domestic steel demand fell in the construction sector due to a labor shortage and rising costs, but demand recovered year on year in the automotive sector in line with rising automotive production. The steel market continued to perform at a high level against the backdrop of soaring raw material prices, but the overseas market showed signs of weakness due to a slowdown in supply and demand.

Consolidated Statement of Income

Regarding consolidated profit and loss (IFRS basis) in the first half (April–September) of FY2023, revenue exceeded the same period of the previous fiscal year due to effects of the aforementioned business environment, but gross profit and net income came in below the same period of the previous fiscal year.

(Unit: ¥ millions)

Item	First half of FY2023 (Apr. to Sep.)	First half of FY2022 (Apr. to Sep.)	Fluctuation
Revenue	1,202,463	1,174,699	+27,764
Gross profit	67,123	69,523	-2,400
Profit for the period attributable to owners of the parent	16,781	22,484	-5,703

Consolidated Statement of Financial Position

Consolidated total assets as of September 30, 2023 increased ¥96.6 billion compared with March 31, 2023 to ¥1,245.1 billion due in part to increases in trade receivables and inventories while consolidated interest-bearing liabilities increased ¥72.8 billion to ¥388.6 billion. Equity attributable to owners of the parent decreased ¥7.0 billion compared with March 31, 2023 to ¥413.3 billion due in part to a decrease in retained earnings.

Consolidated Performance Outlook for the Entire Fiscal Year

As for the business environment and market conditions in the second half, there are numerous concerns that steel demand will slump due in part to persistently high resource prices, protracted financial tightening in various countries, and geopolitical risks. We have therefore decided not to release a full-year results forecast for FY2023.

Inquiries regarding this press release:

Hajime Kimura or Toshiyuki Higuchi, Corporate Communications & CSR Unit, Corporate Administration Department, Metal One Corporation

Phone: +81-3-6777-2816 / email: mo.pr@mtlo.co.jp