



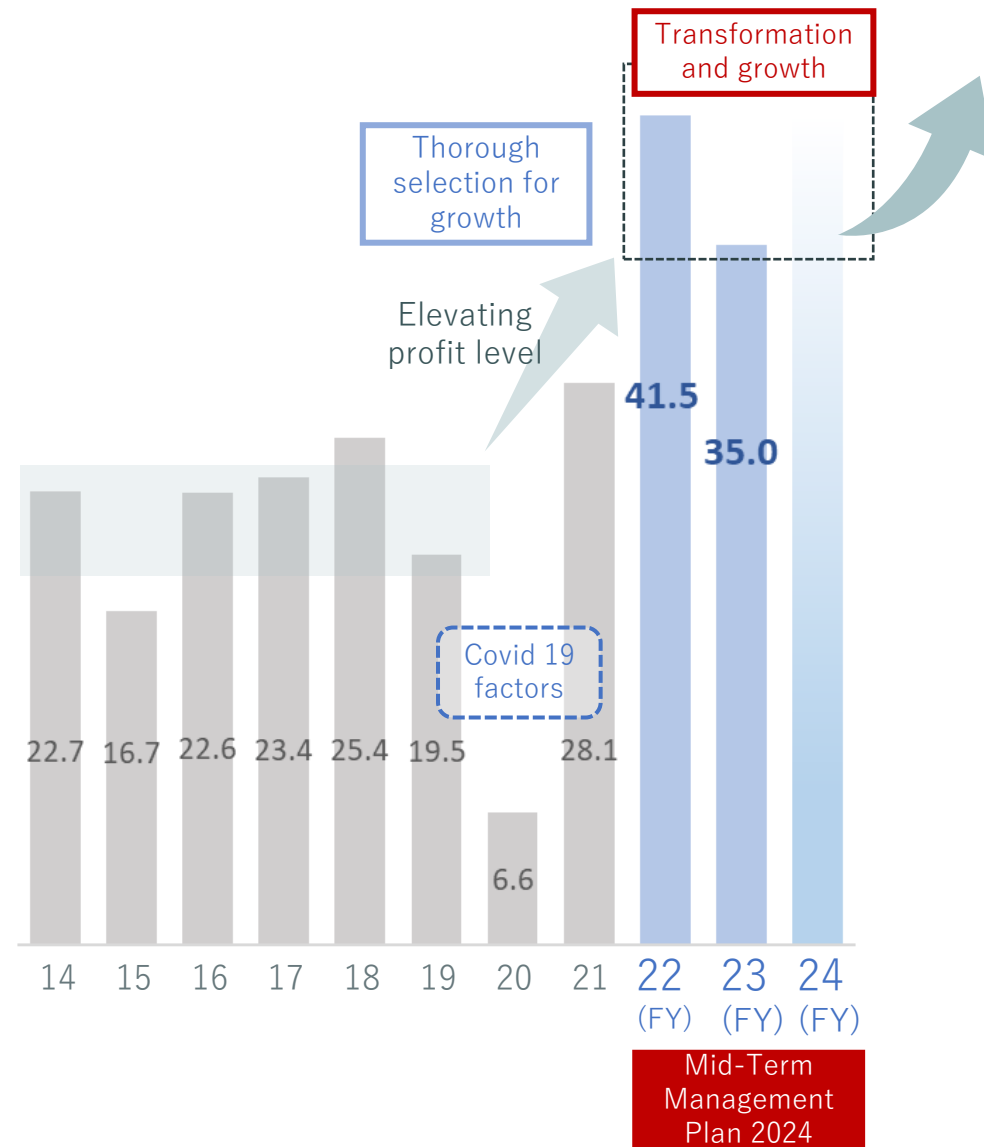
# Consolidated Financial Results for the Year Ended March 31, 2024

Metal One Corporation

2024/6/11

- Profit for the year attributable to owners of the parent totaled ¥35.0 billion, down ¥6.5 billion year on year.
- This marked the decade's second highest profit, behind only the previous fiscal year, despite such negative factors as rising costs due to higher interest rates and inflation worldwide.
- Total assets amounted to ¥1,059.2 billion as of March 31, 2024, partly due to a decrease in working capital, down ¥89.3 billion year on year.

	FY2022	FY2023	Year-on-year change (%)
<b>Revenue</b>	¥2,396.2 billion	¥2,354.4 billion	- ¥41.8 billion (- 1.7%)
<b>Gross profit</b>	¥139.7 billion	¥138.7 billion	- ¥1.0 billion (- 0.8%)
<b>Profit attributable to owners of the parent</b>	¥41.5 billion	¥35.0 billion	- ¥6.5 billion (- 15.6%)
Average exchange rate for the year (to US\$)	¥135.50	¥144.59	+¥9.09
<b>Total assets</b>	¥1,148.5 billion	¥1,059.2 billion	- ¥89.3 billion (- 0.8%)
Exchange rate at year-end (to US\$)	¥133.53	¥151.41	+¥17.88
<b>Number of consolidated subsidiaries and Affiliates</b> (percentage of profitable companies)	104 (92%)	100 (97%)	- 4 (+5%)



## Consolidated Statement of Income

(¥ billion)	FY2022 (Ended March 31, 2023)	FY2023 (Ended March 31, 2024)	Change
Revenue	2,396.2	2,354.4	- 41.8
<b>Gross profit</b>	<b>139.7</b>	<b>138.7</b>	<b>- 1.0</b>
(Gross profit ratio)	(5.8%)	(5.9%)	(0.1%)
Selling, general and administrative expenses	- 84.2	- 88.8	- 4.6
Provision for doubtful receivables	- 0.7	0.5	1.2
<b>Operating income*<sup>1</sup></b>	<b>54.8</b>	<b>50.4</b>	<b>- 4.4</b>
Gains (losses) on investments	- 0.2	0.9	1.1
Gains on property, plant and equipment and others	0.8	1.9	1.1
Other income (expense)	0.3	- 0.1	- 0.4
Finance expense	- 8.3	- 8.9	- 0.6
Share of profit of investments accounted for using the equity method	8.7	7.9	- 0.8
<b>Profit before tax</b>	<b>56.1</b>	<b>52.1</b>	<b>- 4.0</b>
Income taxes	- 10.9	- 13.5	- 2.6
Profit for the year	45.2	38.6	- 6.6
<b>Owners of the parent</b>	<b>41.5</b>	<b>35.0</b>	<b>- 6.5</b>
Non-controlling interests	3.7	3.6	- 0.1

\*1 Operating income has been disclosed in accordance with Japanese standards for presentation

## Business environment

Regarding the business environment, global steel demand decreased year on year due to effects of reduced construction investment caused by financial tightening. Steel demand in Japan declined slightly overall due to year-on-year decreases concentrated in the construction, civil engineering, and shipbuilding segments amid soaring material prices and labor shortages, despite the automotive sector driving demand due to a recovery in production activity as supply bottlenecks cleared, including a semiconductor shortage. Steel market conditions remained weak in this demand environment.

## Revenue and gross profit

Due mainly to a decrease in the volume of trade, revenue decreased by ¥41.8 billion, compared to the previous fiscal year, totaling ¥2,354.4 billion (Japan-related: ¥960.6 billion; Overseas-related: ¥1,393.8 billion). Gross profit fell by ¥1.0 billion, totaling ¥138.7 billion.

## Selling, general and administrative expenses

Due to the effects of inflation and currency conversion amid yen depreciation, costs increased by ¥4.6 billion year on year, totaling ¥88.8 billion.

## Gains (losses) on investments and gains on property, plant and equipment

Due to the sale of investments, gains on investments reached ¥0.9 billion (reversing losses from the previous fiscal year), an improvement of ¥1.1 billion. Gains on property, plant and equipment increased by ¥1.1 billion to ¥1.9 billion due to the sale of property, plant and equipment at subsidiaries.

## Finance expense

In line mainly with rising interest rates overseas, finance expense increased by ¥0.6 billion to ¥8.9 billion.

## Share of profit of investments accounted for using the equity method

The share of profit from investments accounted for using the equity method overseas decreased by ¥0.8 billion year on year to ¥7.9 billion.

## Consolidated Statement of Financial Position

(¥ billion)		March 31, 2023	March 31, 2024	Change
Assets	<b>Current assets</b>	<b>925.7</b>	<b>827.5</b>	<b>- 98.2</b>
	Cash and cash equivalents	15.6	19.1	3.5
	Trade and other receivables	543.8	477.1	- 66.7
	Inventories	318.5	290.3	- 28.2
	Other current assets	47.8	41.0	- 6.8
	<b>Non-current assets</b>	<b>222.8</b>	<b>231.7</b>	<b>8.9</b>
	Property, plant and equipment	97.1	101.8	4.7
	Intangible assets and goodwill	11.3	11.8	0.5
	Other non-current assets	114.4	118.1	3.7
<b>Total assets</b>	<b>1,148.5</b>	<b>1,059.2</b>	<b>- 89.3</b>	

Liabilities and equity	<b>Current liabilities</b>	<b>635.8</b>	<b>515.3</b>	<b>- 120.5</b>
	Borrowings	280.7	172.9	- 107.8
	Trade and other payables	318.4	311.9	- 6.5
	Other current liabilities	36.7	30.5	- 6.2
	<b>Non-current liabilities</b>	<b>53.5</b>	<b>68.7</b>	<b>15.2</b>
	Borrowings	35.1	48.0	12.9
	Other non-current liabilities	18.3	20.7	2.4
	<b>Total liabilities</b>	<b>689.3</b>	<b>584.0</b>	<b>- 105.3</b>
	<b>Equity attributable to owners of the parent</b>	<b>420.3</b>	<b>434.9</b>	<b>14.6</b>
	Common stock and additional paid-in capital	151.2	150.8	- 0.4
	Retained earnings	232.8	227.5	- 5.3
	Other components of equity	36.4	56.5	20.1
	<b>Non-controlling interests</b>	<b>38.9</b>	<b>40.3</b>	<b>1.4</b>
<b>Total equity</b>	<b>459.2</b>	<b>475.2</b>	<b>16.0</b>	
<b>Total liabilities and equity</b>	<b>1,148.5</b>	<b>1,059.2</b>	<b>- 89.3</b>	

## Total assets

Total assets decreased by ¥89.3 billion, compared to the previous fiscal year end, totaling ¥1,059.2 billion due to a decrease in trade and other receivables as well as inventories.

## Interest-bearing debt

Due to a decrease in working capital, the balance of borrowings was ¥220.9 billion, a decrease of ¥94.9 billion.

## Total equity

Total equity rose by ¥16.0 billion year on year to ¥475.2 billion, mainly due to the increase in other components of equity accompanying the depreciation of the Japanese yen.

## Consolidated Financial Indicators

	March 31, 2023	March 31, 2024
Shareholders' equity ratio	36.6%	41.1%
ROA	3.7%	3.2%
Net D/E ratio	0.71	0.46

Shareholders' equity ratio = Equity attributable to owners of the parent ÷ Total assets  
 Net D/E ratio = (Borrowings - Cash and cash equivalents) ÷ Equity attributable to owners of parent

## Number of Consolidated Subsidiaries and Affiliates

	Subsidiaries	Affiliates	Total (Consolidated)
Business investment associates	63 (- 2)	21 (- 1)	84 (- 3)
Domestic offices and overseas bases	16 (- 1)	-	16 (- 1)
<b>Total</b>	<b>79 (- 3)</b>	<b>21 (- 1)</b>	<b>100 (- 4)</b>

Note: Figures in parentheses () show changes from the previous year.