

Consolidated Financial Results for the First Half of FY2016

Metal One Corporation (headquartered in Chiyoda-ku, Tokyo; President: Iwao Toide) is pleased to announce the results of its consolidated performance for the first half of FY2016 (April to September).

Outline of Consolidated Financial Results for the First Half of FY2016

[Business environment]

As for Japanese domestic market, despite of the reductions in the inventory, total demand for the first half of FY 2016 had reduced in comparison with the previous year, due to slow recovery of the demand especially in the construction and heavy industry segments. As for the global market, though the demand in the U.S and part of Asian markets had partially revived, market was slow due to continue over supply from Chinese mills.

[Key index in the consolidated income statement]

As shown below, results of first half of 2016 FY fell short of same period previous year except for the ordinary income mainly due to the business environment described above and due to the appreciated J-Yen.

(Unit: ¥ million)

Item	First half of FY2016 (Apr. to Sep.)	Reference First half of FY2015	Compared to the same period the previous year
Sales	887,872	1,024,383	-136,511
Gross profit	49,782	54,854	-5,072
Operating income	10,051	11,348	-1,297
Ordinary income	12,616	11,492	1,124
Net income	7,671	9,860	-2,189

[Key index in the consolidated balance sheet]

Consolidated total assets declined by ¥59.7 billion to ¥858.3 billion during the first half of FY2016 compared to the end of the previous fiscal year as a result of reductions in inventory, accounts receivable and payable. Consolidated interest-bearing debt also declined by ¥28.4 billion to ¥240.7 billion.

Total net assets excluding non-controlling interests fell by ¥13.3 billion to ¥314.1 billion compared with the end of the previous fiscal year, reflecting decreases in net unrealized gains on securities and foreign currency translation adjustments.

Consolidated Performance Outlook for the Entire Fiscal Year

Although we anticipate that overall market conditions will start to recover in the second half of the fiscal year, we refrain from announcing the full-year projections, due to uncertain outlook of the raw material market and the overseas market especially in China and developing countries.