

FY2022 Financial Results Report

In the FY 2022, there was a sluggish growth in both domestic and international demand, and the steel market was also weak, making it a challenging business environment. As for our company, SCGM's Net Income, SCGM's Net Total Assets, and Net Income Attributable To SCGM Group are as follows.

	FY2021	FY2022	Comparison of the two figures on the left
SCGM's Net Income (Japanese Accounting Standards)	¥7.9billion	¥9.6billion	+¥1.7billion
SCGM's Net Total Assets (Japanese Accounting Standards)	¥159.7billion	¥164.0billion	+¥4.3billion
Net Income Attributable To SCGM Group※ (Non-audited, International Accounting Standards)	¥26.6billion	¥25.1billion	△¥1.5billion

※ "Net Income Attributable To SCGM Group" refers to the sum of the following four profits.

- (1) Profits of SCGM
- (2) Profits of SCGM's affiliated companies
- (3) Profits of companies affiliated with Sumitomo Corporation (the parent company of SCGM and hereinafter called "SC") which are, to be precise, under the Steel Products Division of SC ("SC Steel Products Division") and with which SCGM have no direct capital relationship (hereinafter called "SC's Affiliated Companies")
- (4) Profits related to the steel products business of the SC Steel Products Division and SC's global organizations (hereinafter collectively referred to as "SC Organizations").

The reason for including profits described in item (3) and (4) in "Net Income Attributable To SCGM Group" is because SCGM is currently involved in and supporting the operations of SC's Affiliated Companies (described in item (3)) and assisting the execution of the transactions related to the steel products business of SC Organizations (described in item (4)) through contractual relationships and joint strategic planning and promotion with SC.

Topics

SCGM's Net Income

SCGM's Net Income increased by 1.7 billion yen from the previous fiscal year, despite the adverse impact of soaring steel prices since the previous period, due to the steel market conditions and exchange rate effects.

SCGM's Net Total Assets

SCGM's Net Total Assets increased by 4.3 billion yen from the previous year due to the exchange rate effects.

Net Income Attributable To SCGM Group

Although the overseas steel service center business remained robust, Net Income Attributable To SCGM Group decreased slightly due to the backlash of the previous year's surge in steel market prices.