

# ***INTERIM RESULTS***

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***for Year Ended March 2009***

***November 14, 2008***

***HANWA CO.,LTD.***

- *As for the interim figures for this year, net sales amounted 911,263 million yen, increased by 23.8% due to rise of the market price and active sales of steel and petroleum & chemicals products. On profit side, the interim net income was 10,216 million yen, increased by 43.7% for the same period of the previous year due to extension of steel business.*
- *Year earnings forecast :*
  - Sales amount      1,710 billion yen*
  - Operating income 29.9 billion yen*
  - Net income        15.1 billion yen*
- *About the dividend, the interim dividend of 6 yen is paid and the year-end dividend of 6 yen are planned. And we repurchased own shares up to 2 million shares.*

## Operating Results ( consolidated )



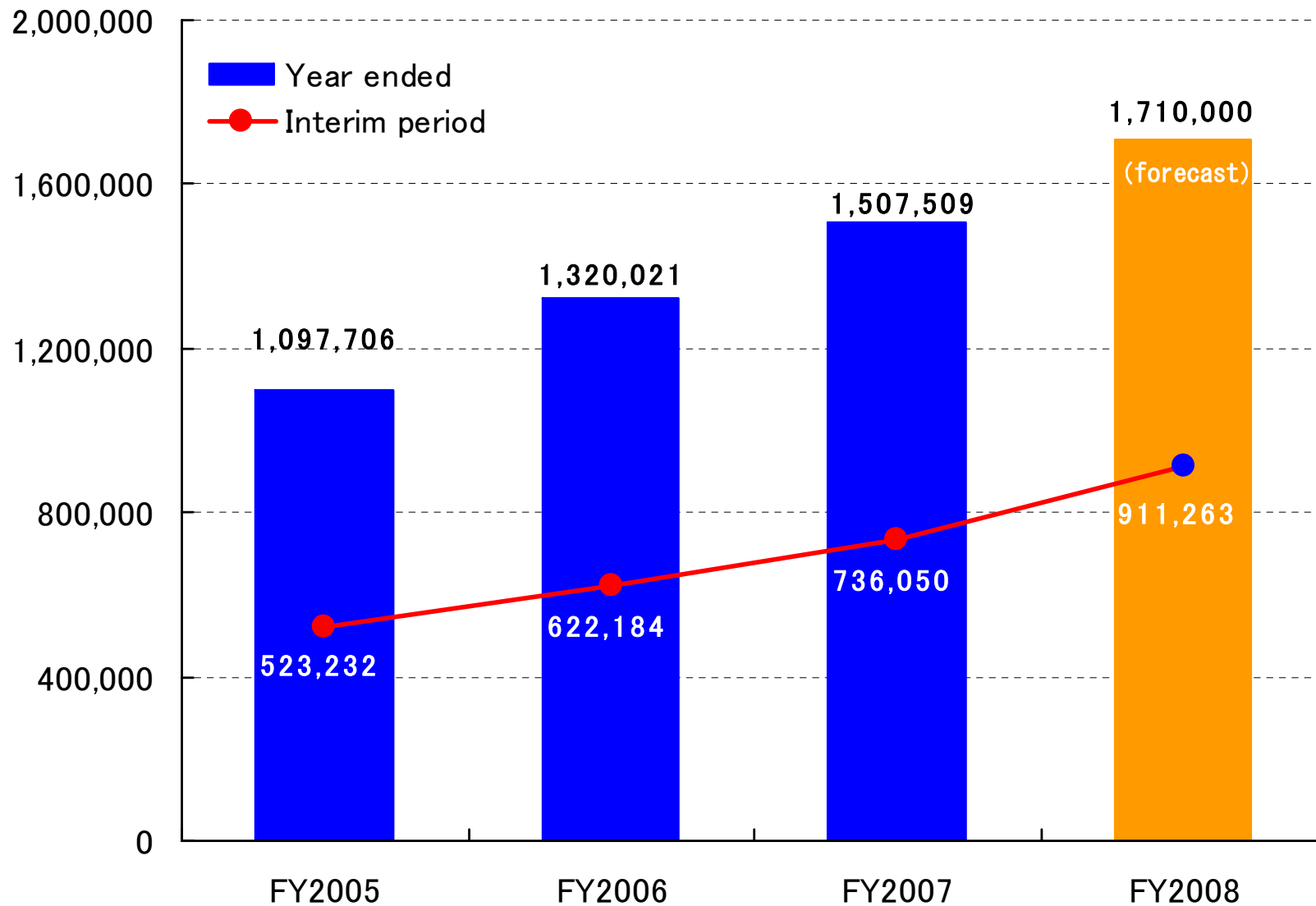
(Millions of yen)

	2008/9	2007/9	Rate of change
<i>Net Sales</i>	911,263	736,050	+23.8 %
<i>Operating Income</i>	19,819	11,981	+65.4 %
<i>Ordinary Income</i>	19,340	11,255	+71.8 %
<i>Net Income</i>	10,216	7,108	+43.7 %
<i>Net Income per share(yen)</i>	48.34	33.63	+43.7 %

# Changes in Net sales (consolidated)



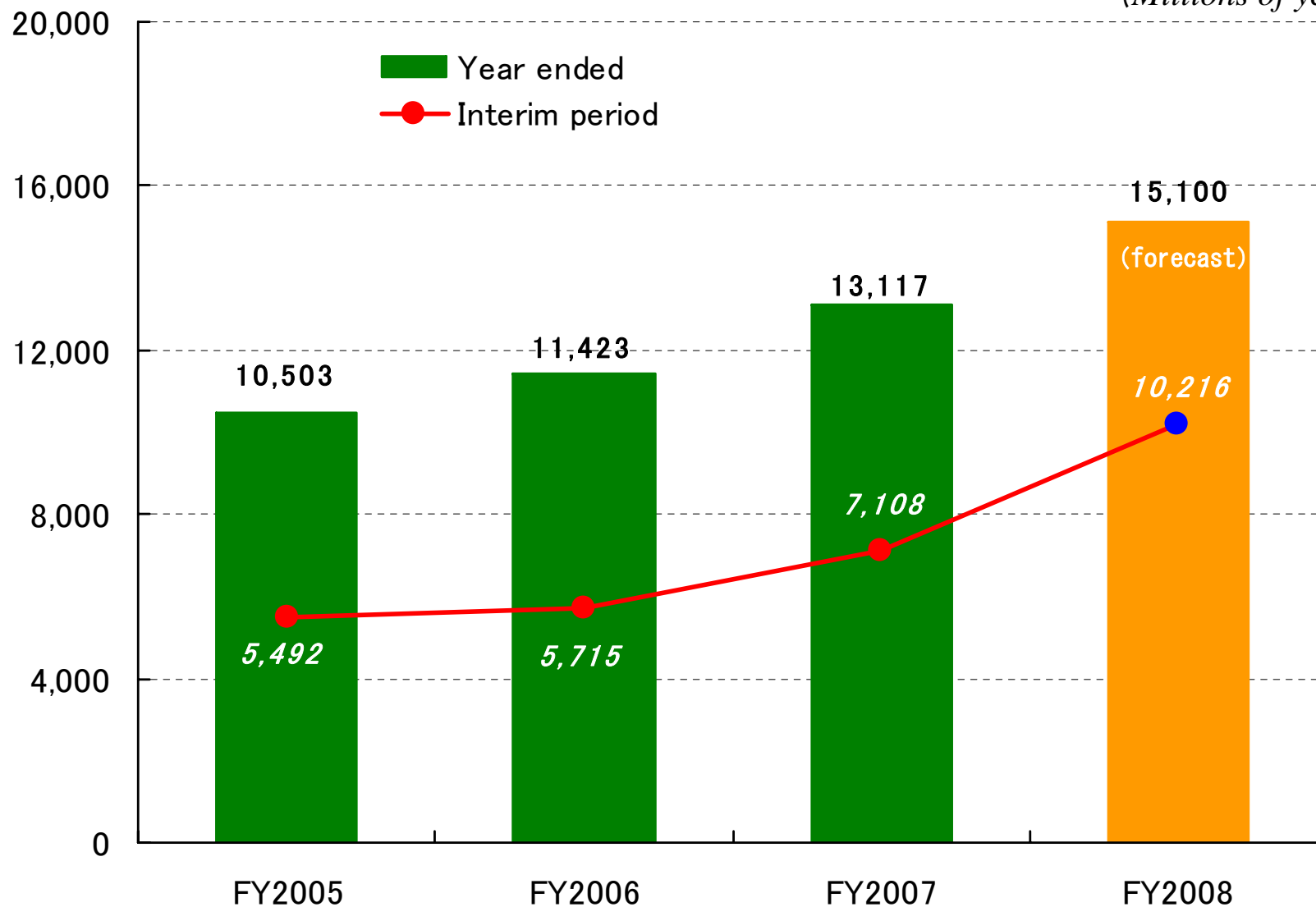
(Millions of yen)



# Changes in Net income (consolidated)



(Millions of yen)



## *Financial Position ( consolidated )*



(Millions of yen)

	2008/9	2008/3	Rate of change
<i>Total assets</i>	578,539	482,014	+20.0%
<i>Total liabilities</i>	472,963	381,088	+24.1%
<i>Shareholders' equity</i>	105,576	100,926	+4.6%
<i>Shareholders' equity ratio</i>	18.1%	20.7%	
<i>Shareholders' equity per share(yen)</i>	495.72	473.70	+4.6%
<i>Net debt/equity ratio</i>	182.4%	151.7%	

## Cash Flows Situation ( consolidated )



(Millions of yen)

	2008/9	2007/9	Rate of change
<i>Cash flows from Operating activities</i>	(23,934)	10,236	(-333.8%)
<i>Cash flows from Investing activities</i>	(14,713)	(4,064)	(-262.0%)
<i>Cash flows from Financing activities</i>	43,636	(7,700)	(+666.7%)
<i>Cash and cash equivalents at end of the period</i>	19,562	8,765	+123.2%

## Segment Information ( consolidated )



### Net sales

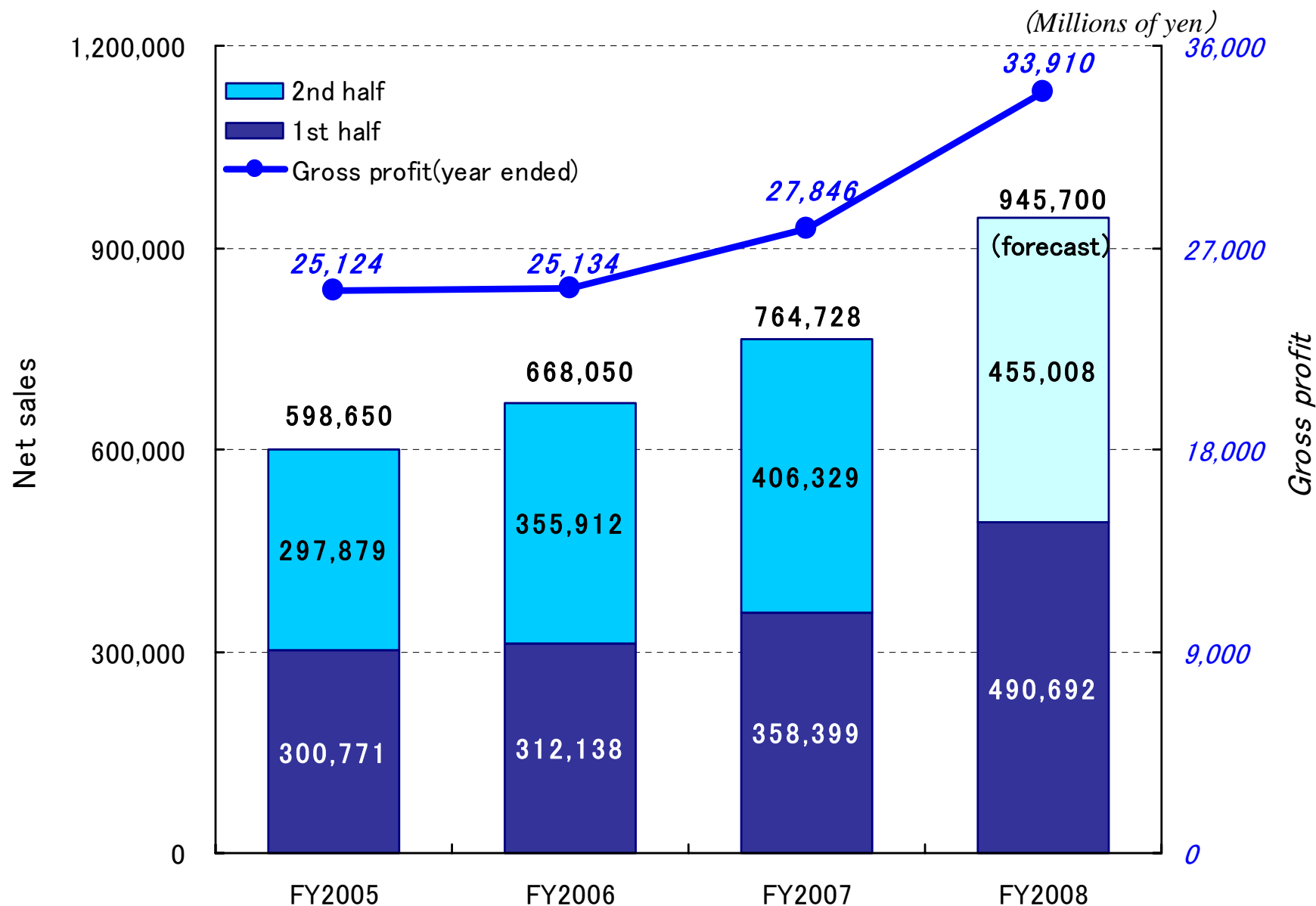
	2008/9	2007/9	Rate of change
<b>Steel</b>	<b>498,948</b>	<b>370,016</b>	<b>+34.8%</b>
<b>Metal &amp; alloys</b>	<b>98,509</b>	<b>111,009</b>	<b>-11.3%</b>
<b>Non-ferrous metals</b>	<b>37,310</b>	<b>34,541</b>	<b>+8.0%</b>
<b>Foods</b>	<b>43,601</b>	<b>43,956</b>	<b>-0.8%</b>
<b>Petroleum &amp; chemicals</b>	<b>204,324</b>	<b>144,726</b>	<b>+41.2%</b>
<b>Others</b>	<b>28,568</b>	<b>31,799</b>	<b>-10.2%</b>
<b>Total</b>	<b>911,263</b>	<b>736,050</b>	<b>+23.8%</b>
<b>Corporate</b>	<b>( - )</b>	<b>( - )</b>	<b>-</b>
<b>Consolidated</b>	<b>911,263</b>	<b>736,050</b>	<b>+23.8%</b>

### Operating income

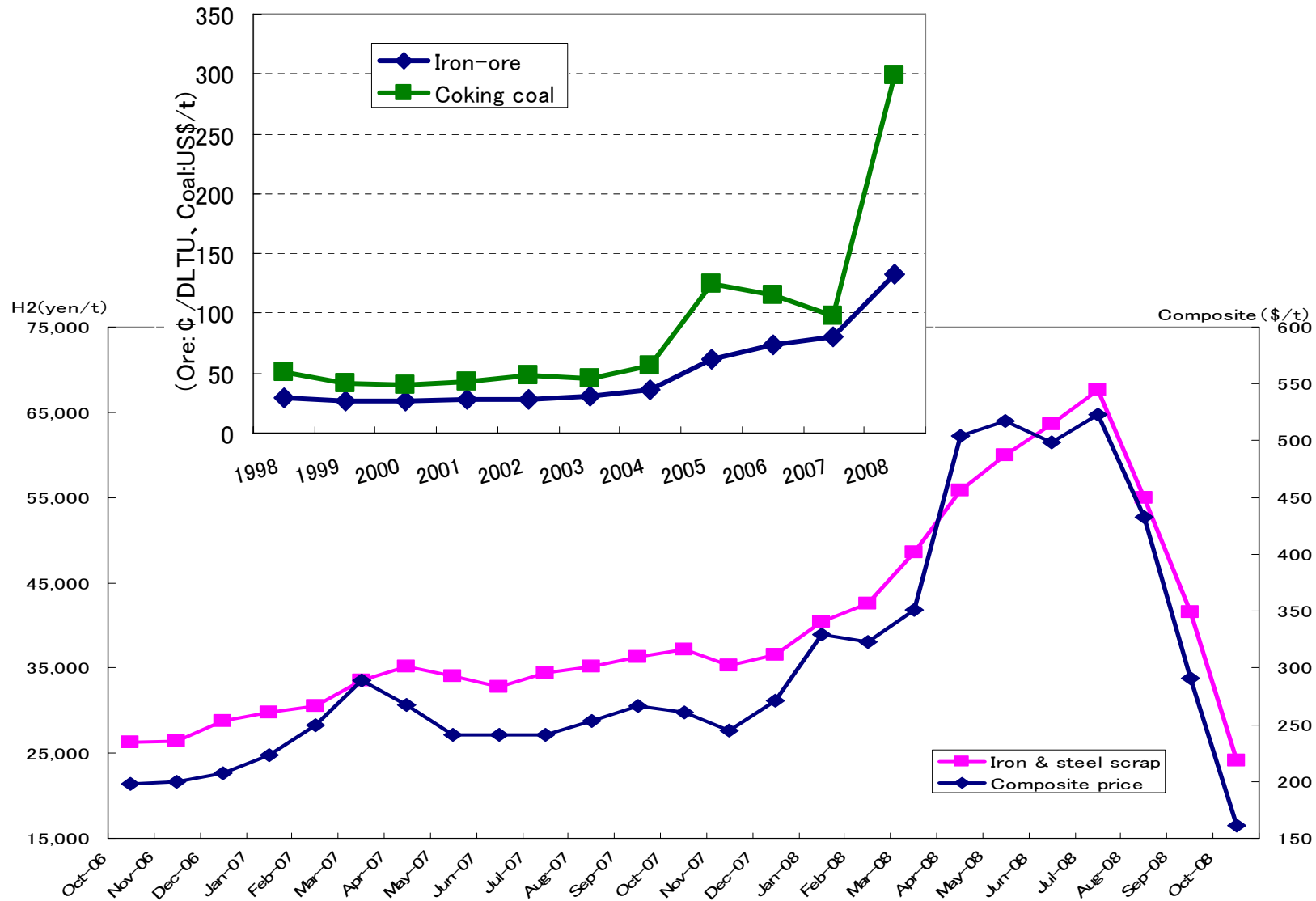
(Millions of yen)

	2008/9	2007/9	Rate of change
<b>Steel</b>	<b>12,784</b>	<b>7,716</b>	<b>+65.7%</b>
<b>Metal &amp; alloys</b>	<b>3,715</b>	<b>3,370</b>	<b>+10.2%</b>
<b>Non-ferrous metals</b>	<b>1,183</b>	<b>1,484</b>	<b>-20.3%</b>
<b>Foods</b>	<b>1,100</b>	<b>93</b>	<b>+1,082.8%</b>
<b>Petroleum &amp; chemicals</b>	<b>2,392</b>	<b>1,124</b>	<b>+112.8%</b>
<b>Others</b>	<b>1,614</b>	<b>939</b>	<b>+71.9%</b>
<b>Total</b>	<b>22,790</b>	<b>14,729</b>	<b>+54.7%</b>
<b>Corporate</b>	<b>(2,971)</b>	<b>(2,748)</b>	<b>+8.1%</b>
<b>Consolidated</b>	<b>19,819</b>	<b>11,981</b>	<b>+65.4%</b>

# Sales and Profit by Steel Segment (unconsolidated)

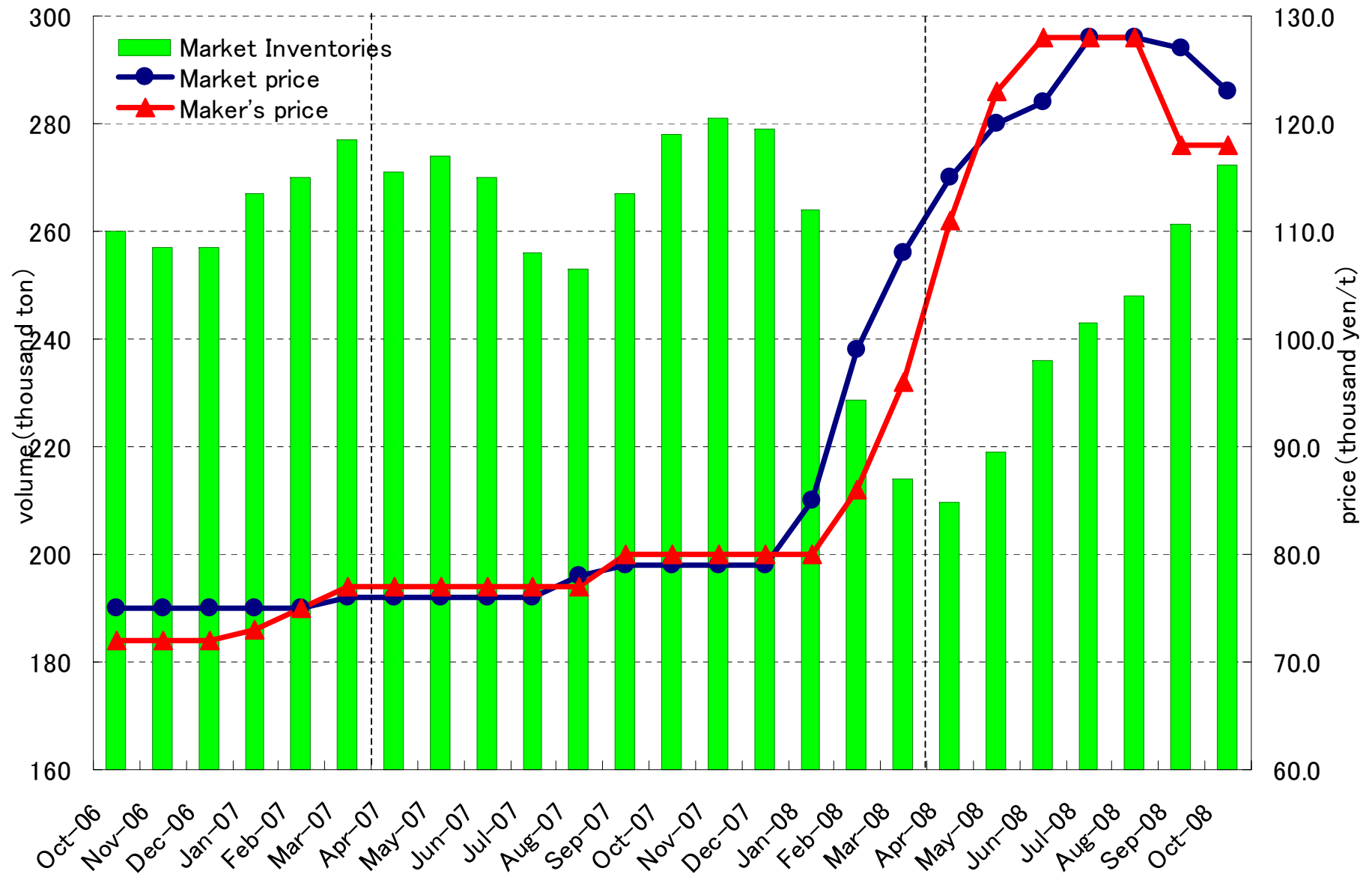


# Transition of Iron & Steel Scrap Markets

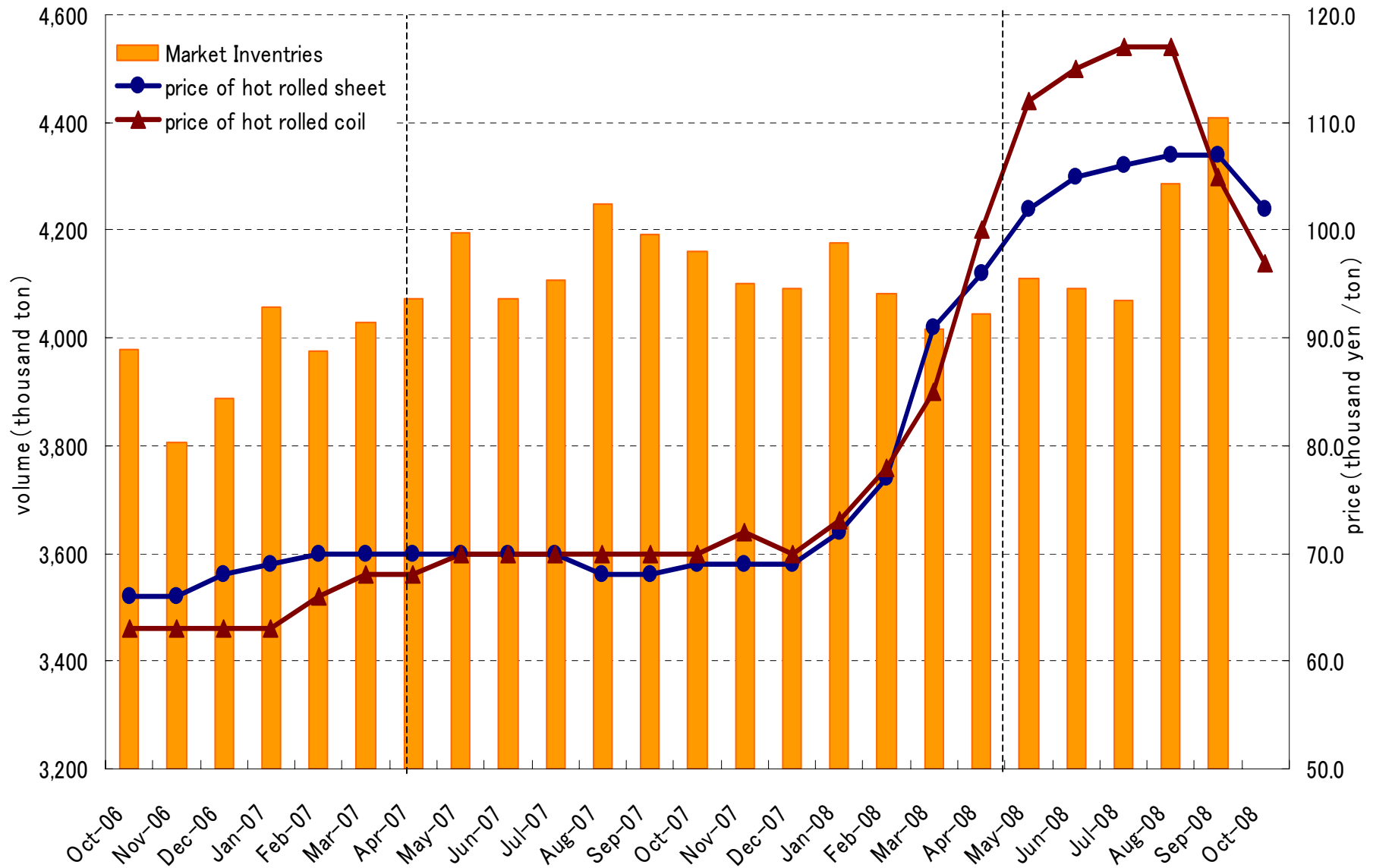


(Data source: Japan ferrous raw materials association, H2)

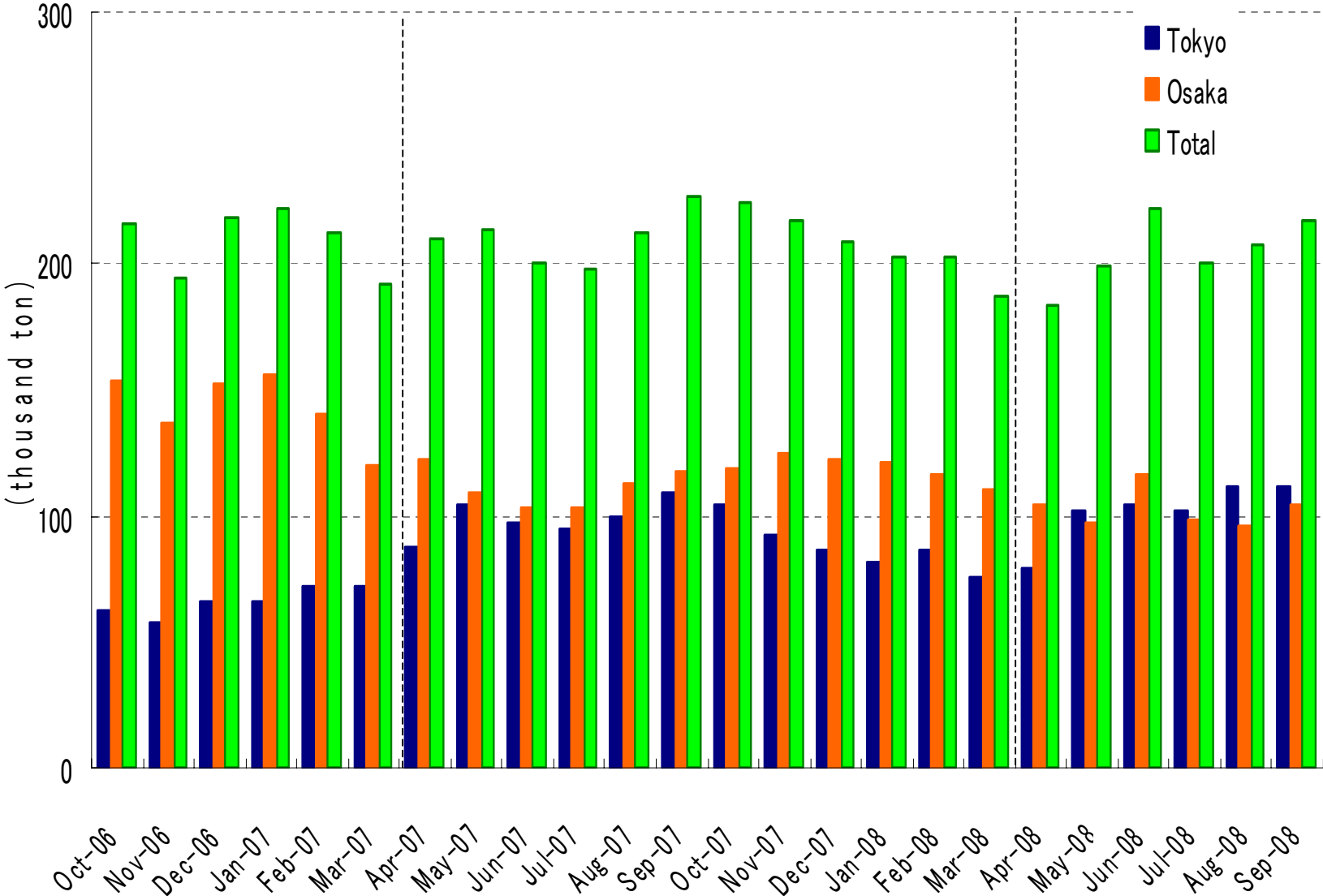
# Transition of the H-Beams Markets in Japan



# Transition of Steel Sheets Markets in Japan



# Transition of Imported Steel-coils Inventory on the Japanese Quay



Study by Hanwa co.,ltd.

## Segment Information ( consolidated )



### Net sales

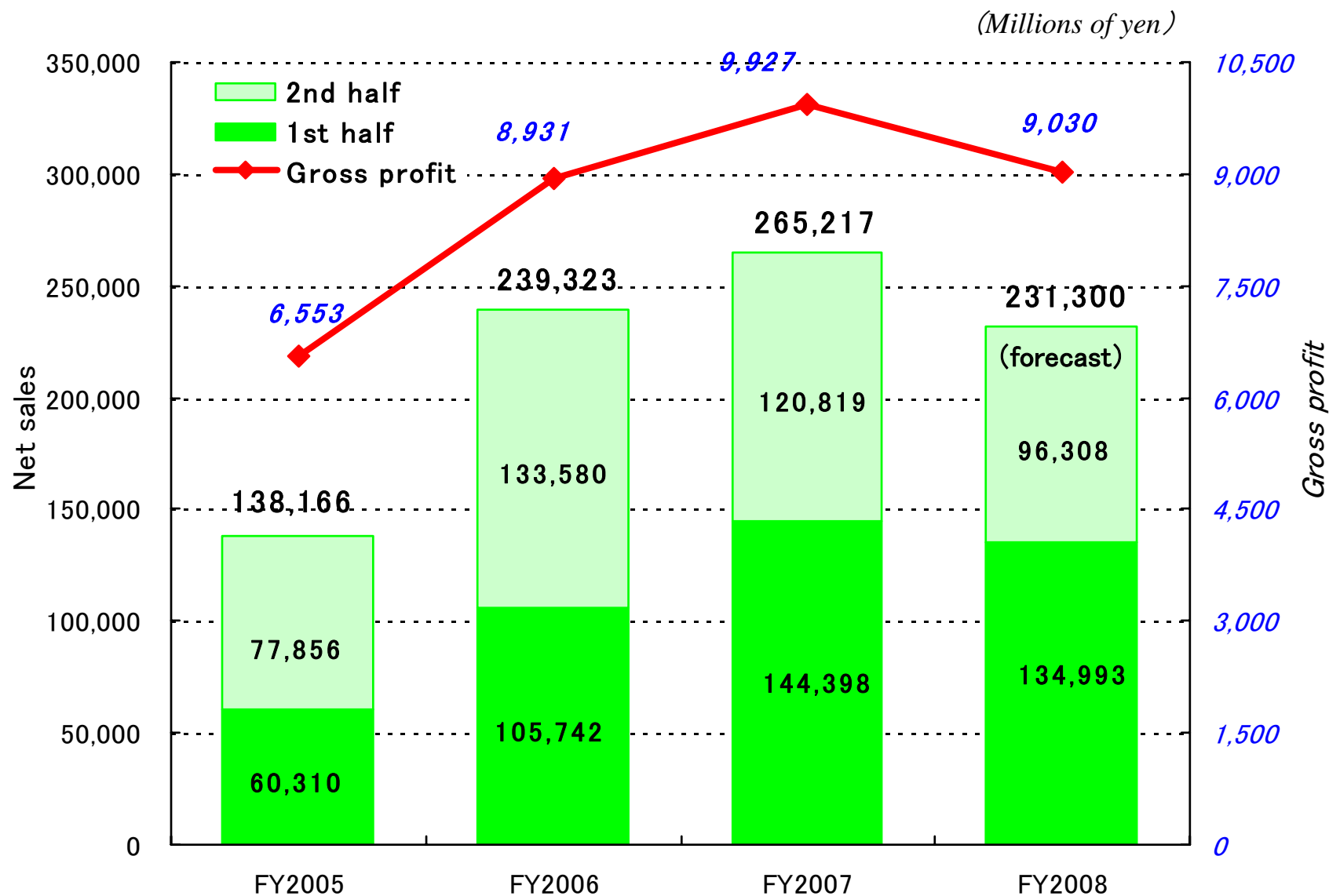
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Corporate	( — )	( — )	—
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### Operating income

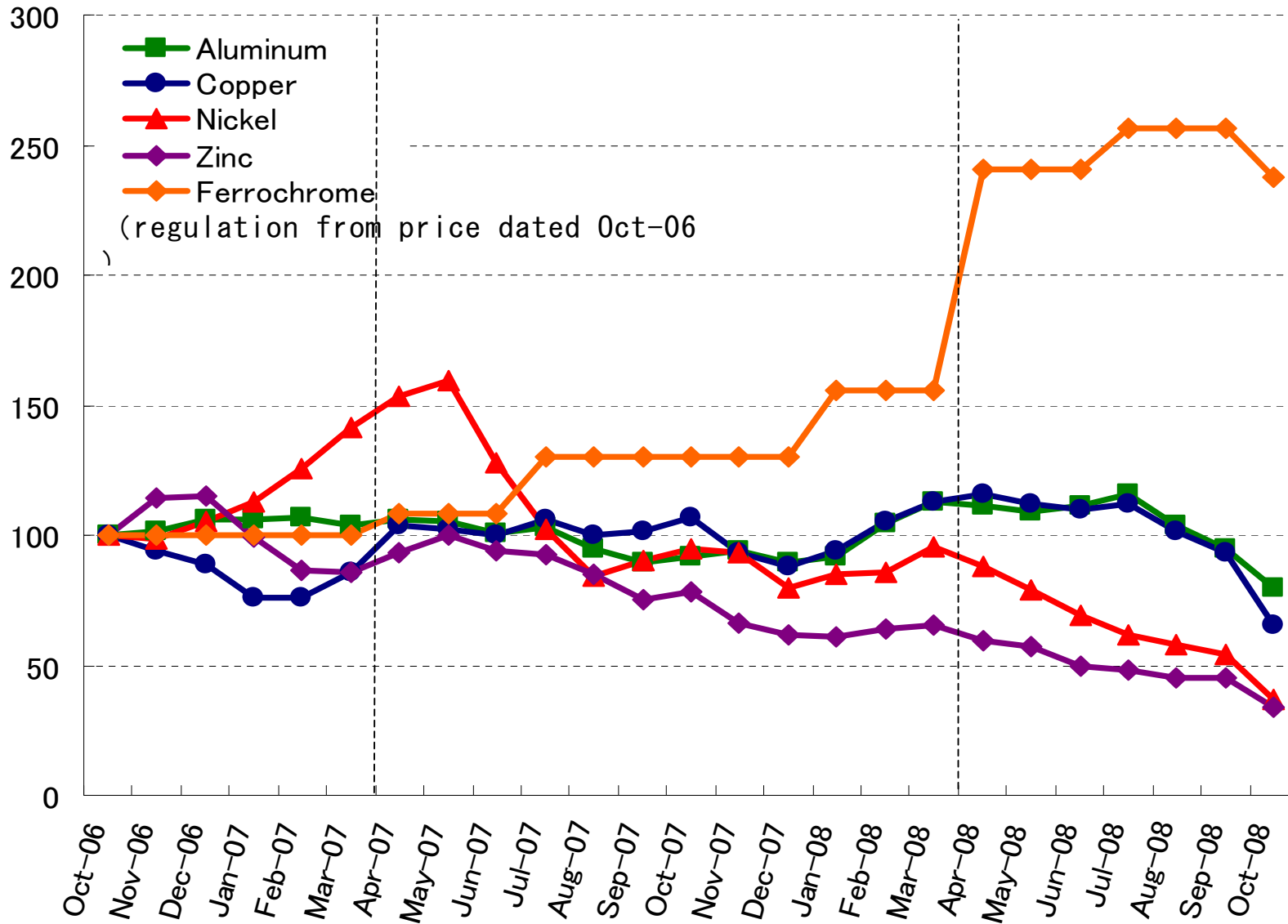
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Foods	1,100	93	+1,082.8%
Petroleum & chemicals	2,392	1,124	+112.8%
Others	1,614	939	+71.9%
Total	22,790	14,729	+54.7%
Corporate	(2,971)	(2,748)	+8.1%
Consolidated	19,819	11,981	+65.4%

# Sales and Profit by Metals & Alloys, Non-ferrous Metals Segment (unconsolidated)



# Transition of Non-ferrous Metals Markets



## Segment Information ( consolidated )



### Net sales

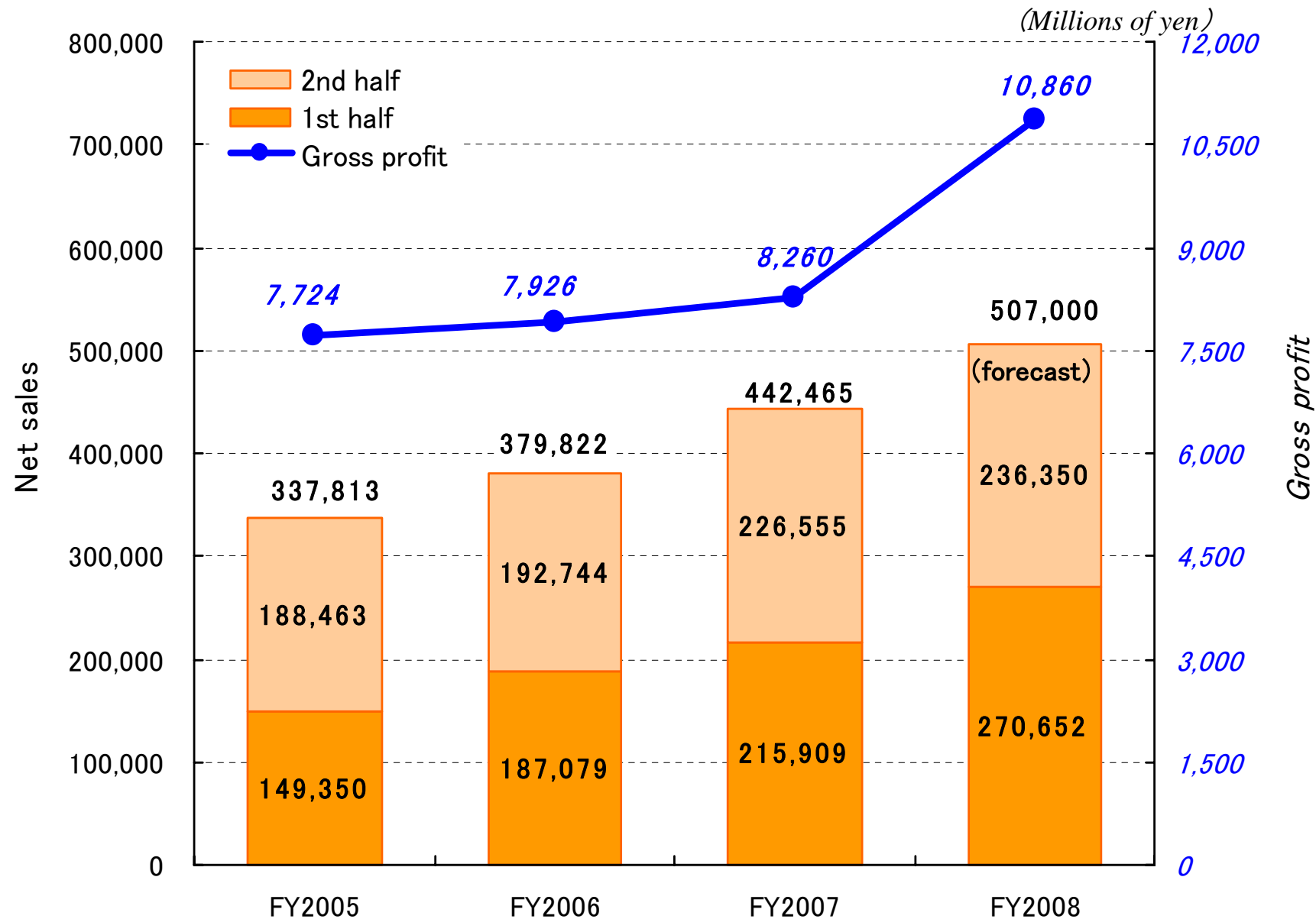
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<i>Total</i>	911,263	736,050	+23.8%
<i>Corporate</i>	( — )	( — )	—
<i>Consolidated</i>	911,263	736,050	+23.8%

### Operating income

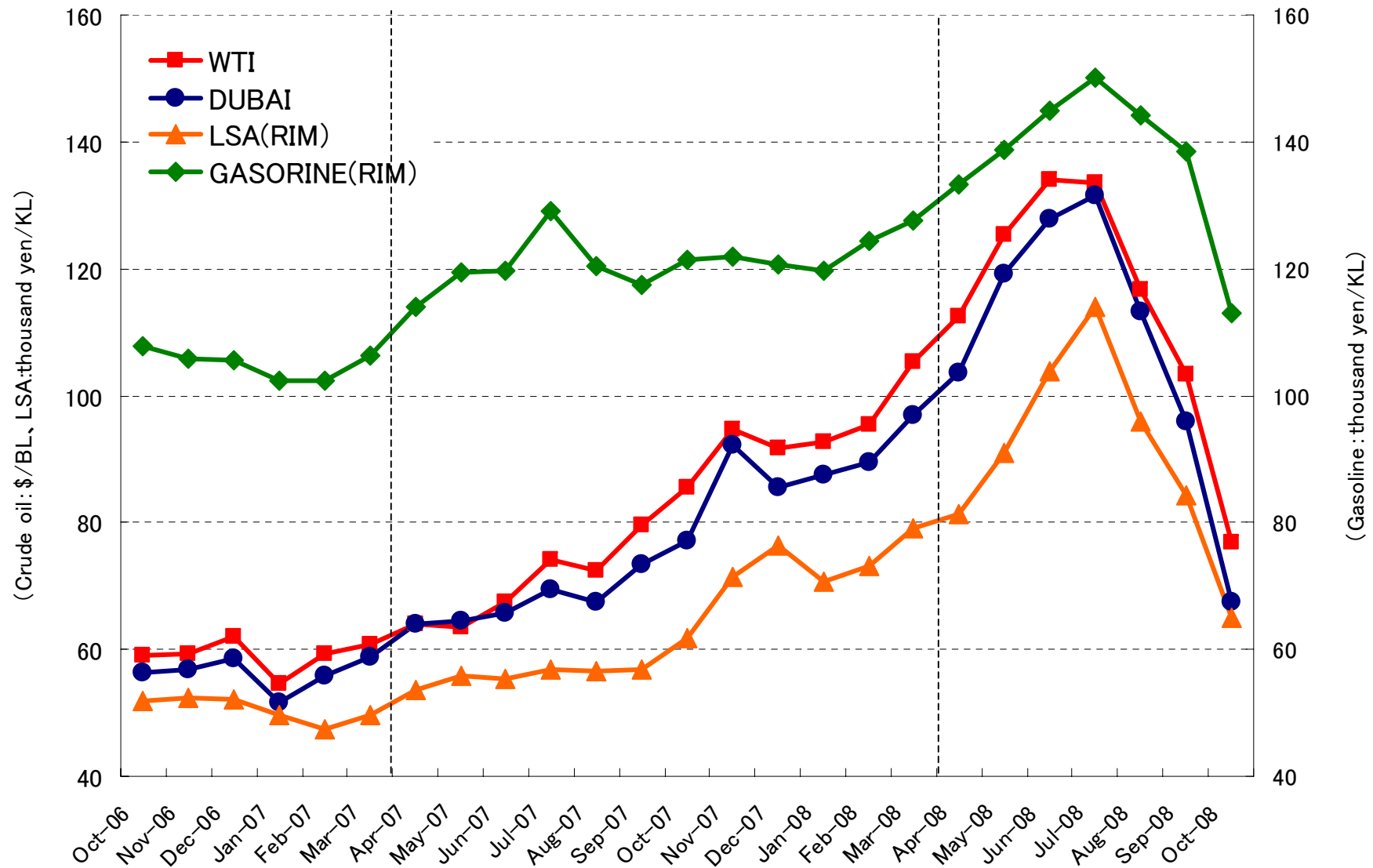
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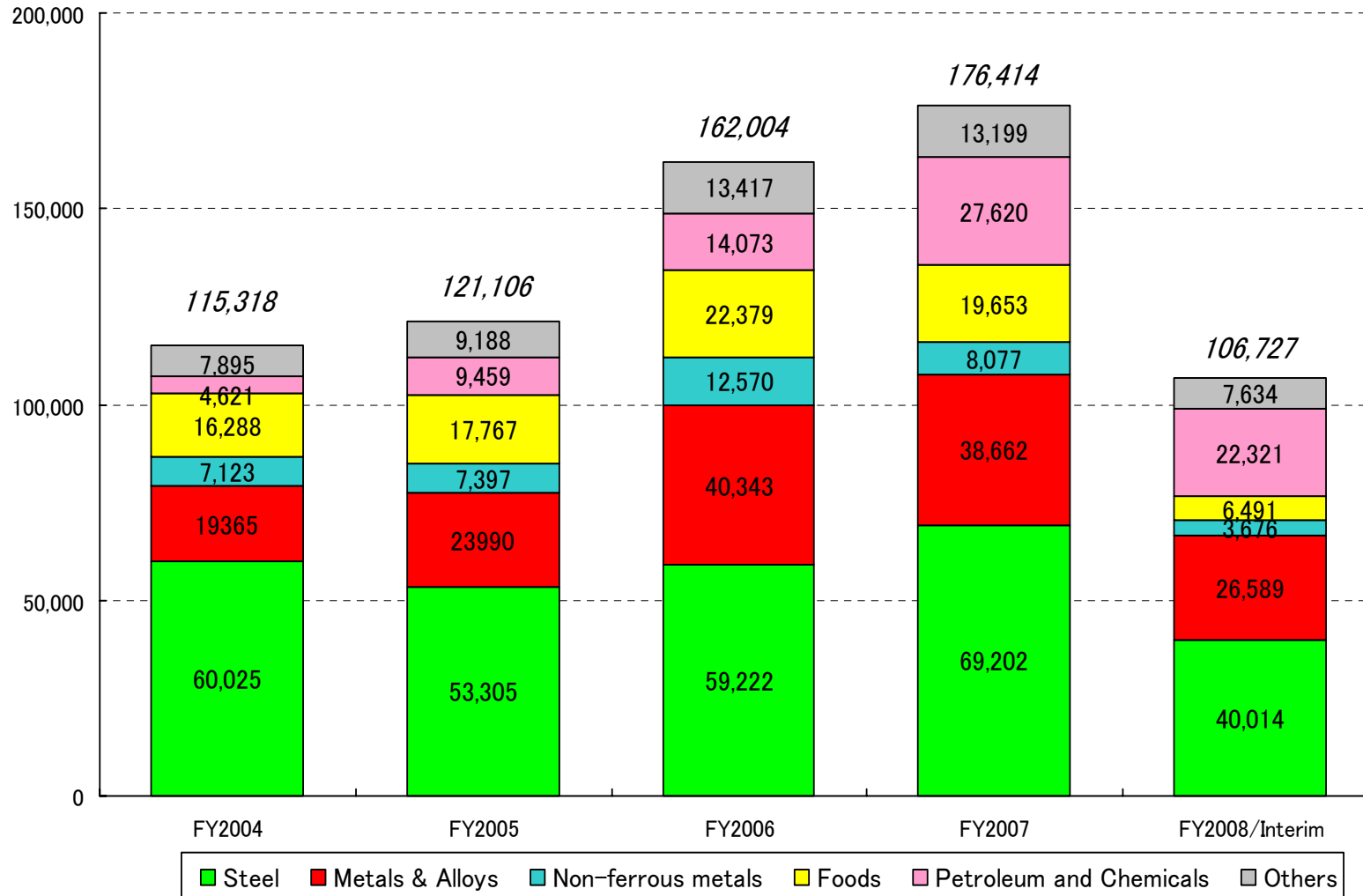
**Sales and Profit by Foods, Petroleum & Chemicals, Others Segment (unconsolidated)** 



# Transition of Crude & Refined Products Markets



Volume of trade in China (unconsolidated)



Including sales of materials & purchases of products for processing dealings.

# Business Forecast FY2008 ( year ended March 31, 2009 )



## consolidated

(Millions of yen)

	<i>Interim</i>	<b>FY2008</b>	<i>FY2007</i>
<i>Net sales</i>	911,263	1,710,000	1,507,509
<i>Operating income</i>	19,819	29,900	23,704
<i>Ordinary income</i>	19,340	27,400	21,267
<i>Net income</i>	10,216	15,100	13,117

## unconsolidated

	<i>Interim</i>	<b>FY2008</b>	<i>FY2007</i>
<i>Net sales</i>	896,338	1,684,000	1,472,411
<i>Operating income</i>	18,566	28,200	22,665
<i>Ordinary income</i>	18,334	26,200	20,584
<i>Net income</i>	9,666	14,400	12,620

	<i>Year</i>	<i>Interim</i>	<i>Year-end</i>
<i>Cash dividends (yen)</i>	12.00	6.00	6.00

## *A Cautionary Note on Forward-looking Statement*

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*This material contains statements (including figures) regarding Hanwa Co.,Ltd.(“Hanwa”)’s corporate strategies, objectives, and views of future developments that are forward-looking in nature and are not simply reiterations of historical facts. These statements are presented to inform stakeholders of the Views of Hanwa’s management but should not be relied on solely in making investment and other decisions. Readers should not place undue reliance on forward-looking statements.*