

Nippon Steel holds off profit target on price uncertainty

Japan's Nippon Steel & Sumitomo Metal said on Friday, 28 April, it would not give a profit target for the current fiscal year owing to uncertainty over prices for raw materials and finished products.



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The news came as the company, a major global steelmaker, said its net profit for the just-ended year to March fell 10% from a year ago to ¥130.9bn (\$1.17bn), citing unsteady demand and a stronger yen.

Revenue ticked down 5.6% to ¥4.63tn, while operating profit dropped by nearly one-third from a year earlier.

"Results were affected by a less favourable sales mix, which stemmed from sluggish demand for steel products for the energy sector," it said.

A spike in the price of coking coal - a key ingredient in steel - and drop in Chinese steel prices, has hit Japan's major steelmakers.

Nippon Steel said it would not release full-year estimates on Friday due to "the uncertainty of price trends for primary raw materials and steel products".

Source: AFP

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