
Kobelco H1 net sales up by 11.8% YoY

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It is reported that Kobelco, the construction machinery division of Kobe Steel, had sales of JPY 195 billion in the first half of the fiscal year, up by 11.8% YoY on the JPY 174 billion reported for the same period in 2007. Profits rose by 0.7% YoY to JPY 13.1 billion from JPY 13 billion.

Kobelco said that demand for excavators continued to be brisk in China and South East Asia, but declined in the US, European and Japanese markets, while demand for cranes continued to be strong in all world markets.

It added that it does not expect a second half recovery for excavator sales in Japan, the US or Europe, but is anticipating continued demand for cranes.

Kobe Steel, in its full year forecasts, predicts that Kobelco should hit full year sales of JPY 395 billion, up by 16% YoY on the JPY 339 billion recorded in 2007. However, forecasts are less optimistic about profits, with Kobelco expected to report full year profits of JPY 20 billion, down by 12% YoY on the JPY 22.8 billion recorded last year.

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