

**Quarterly Financial Results for the Second Quarter
Ended September 30, 2011**
[According to Japanese Accounting Standards] (Consolidated)

November 4, 2011

Name of Listed Company	Furukawa-Sky Aluminum Corp.	Stock Exchange Listings	Tokyo
Code Number	5741 URL http://www.furukawa-sky.co.jp/english/en_index.htm		
Representative	(Title) President and Chief Executive Officer (Name) Masateru Yoshihara		
Contact Person	(Title) Director (Name) Hisashi Hasegawa	Phone +81-3-5295-3800	
Scheduled Date for Submitting Financial Statements		November 11, 2011	
Scheduled Date of Dividend Distribution		December 2, 2011	
Supplementary materials available on quarterly financial results		: Yes	
Quarterly results briefing		: Yes	(For securities analysts)

Note: Figures have been rounded down to the nearest million yen.

**1. Consolidated Business Performance for the Second Quarter, Ended September 30, 2011
(From April 1, 2011 to September 30, 2011)**

	(% indicates year-on-year change)					
	Net sales		Operating income		Ordinary income	Net income
	¥million	%	¥million	%	¥million	%
Six months ended September 30, 2011	100,802	(4.9)	5,105	(28.4)	4,830	(28.6)
Six months ended September 30, 2010	105,997	24.1	7,132	—	6,766	—
					2,780	(48.8)
					5,434	—

(Note) Comprehensive income: six months ended September 30, 2011: ¥1,509 million (-68.0%); six months ended September 30, 2010: ¥4,714 million (-%)

	Net income per share	Fully diluted net income per share
Six months ended September 30, 2011	¥ 12.24	¥ —
Six months ended September 30, 2010	23.93	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
As of: September 30, 2011	¥million 217,787	¥million 70,704	% 32.2
March 31, 2011	217,878	69,907	31.8

(Reference) Shareholders' equity: ¥70,138 million as of September 30, 2011, ¥69,362 million as of March 31, 2011

2. Dividends

	Cash dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Annual
Year ended/ending: March 31, 2011	¥ —	¥ 3.00	¥ —	¥ 3.00	¥ 6.00
March 31, 2012	—	3.00	—	3.00	6.00
March 31, 2012 (Forecasts)			—	3.00	6.00

Note: Changes in dividend forecast during the quarter under review: No

3. Forecast for consolidated business performance in the term ending March 31, 2012

(From April 1, 2011 to March 31, 2012)

(Percentage figures represent changes from the corresponding periods of the previous fiscal year)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
Full year	¥million % 194,300 (6.2)	¥million % 6,400 (48.1)	¥million % 6,200 (46.9)	¥million % 4,000 (66.6)	¥ 17.61

Note: Revisions to consolidated business performance forecasts during the quarter under review: Yes

4. Other

(1) Changes in significant subsidiaries during the term (Changes in the scope of consolidation of specific subsidiaries): No

(2) Application of simplified methods of accounting and specific accounting methods: No

(3) Changes in accounting policies, changes in estimates, or restatements

- a. Changes owing to revisions in accounting standards: No
- b. Changes other than a. above: No
- c. Changes in accounting estimates: No
- d. Restatements: No

(4) Number of shares outstanding (common stock)

a. Number of shares issued at the end of the period (including treasury stock)

As of September 30, 2011 227,100,000 shares

As of March 31, 2011 227,100,000 shares

b. Shares of treasury stock at the end of the period

As of September 30, 2011 12,273 shares

As of March 31, 2011 12,273 shares

c. Average number of shares during the period (calculated cumulatively from the beginning of the fiscal year)

For the six months ended September 30, 2011 227,087,727 shares

For the six months ended September 30, 2010 227,087,893 shares

(Disclosure of Implementation Status of Quarterly Review Procedures)

This earnings report is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Act. The quarterly review procedure for consolidated financial statements under the Financial Instruments and Exchange Act has not been completed at the time of disclosure of this report.

(Explanations or other items pertaining to appropriate use of operating result forecasts)

The operating results forecasts and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information available to the company at the time the results were announced. Actual performance may differ substantially from these projections due to fluctuations in the economy or a variety of other known and unknown factor.

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1. Quarterly Consolidated Business Performance

(1) Consolidated Business Performance

Looking at the Japanese economy during the first half of the fiscal year ending March 31, 2012, in the first quarter the Great East Japan Earthquake affected numerous industries, centered on the automotive sector. In the second quarter, companies that had been affected by the earthquake began to recover, but electric power restrictions during the summer months continued to impact production efficiency. Economic circumstances worsened overseas, owing to financial uncertainties stemming from a ratings downgrade on U.S. government debt, the Greek debt repayment crisis and other events in the European Union, share price declines in advanced countries, and depreciation of the U.S. dollar and the euro. Meanwhile, inflationary concerns caused interest rates to rise and growth to slow in emerging markets. All of these factors had a profound impact on Japanese economic performance.

In the rolled aluminum industry, of which the Furukawa-Sky Group is a member, demand for mainstay can stock increased to replenish supplies destroyed in the earthquake, but the Great East Japan Earthquake caused demand for automotive products, printing plates and other items to fall. At the same time, the global economic slowdown sapped demand for parts used in electronics destined for overseas markets, as well as for various types of exports. As a result, overall demand for rolled aluminum was down 5% year on year.

Sales volume and overall demand for rolled aluminum trended along approximately path. Looking at demand by segment, sales of beverage can stock were up 2% year on year, but demand plunged following a drop in real demand in August. In other fields, sales for general internal-demand products such as automotive applications, printing plates, and thick plates for LCD and semiconductor fabrication equipment, were down 11% year on year. Expectations of spot price declines from the third quarter onward led customers in the wholesale and retail product sectors to hold back on purchases, causing a plunge in second-quarter demand. Furthermore, exports were down 27% year on year, owing to such factors as yen appreciation. As a result, overall unit sales fell 8.5% year on year.

As a result, second quarter consolidated total net sales were ¥100,802 million (down ¥5,194 million year-on-year), operating income was ¥5,105 million (a decrease of ¥2,027 million compared to Q2 last year), ordinary income was ¥4,830 million (down ¥1,936 million year-on-year), and quarterly net income was ¥2,780 million (down ¥2,654 million compared to Q2 last year).

(2) Consolidated Financial Position

(Total assets)

Total assets as of September 30, 2011 were ¥217,787 million (a decrease of ¥91 million compared to the end of the previous fiscal year). Of this figure, current assets amounted to ¥106,639 million, down ¥6,144 million from their level on March 31, 2011. This decline was mainly due to a ¥7,598 million decrease in short-term loans, stemming mostly from the increased acquisition of shares using repurchases and other surplus funds. Accounts receivable—other decreased ¥991 million, while work in process rose ¥2,224 million. Total noncurrent assets came to ¥111,149 million, up ¥6,053 million from March 31, 2011. The principal reason for the rise was the acquisition of shares in a North American manufacturer of rolled aluminum, which caused a ¥9,606 million expansion in investment securities, although total property, plant and equipment decreased ¥3,160 million.

(Liabilities)

Total liabilities as of September 30, 2011 were ¥147,084 million (a decrease of ¥887 million compared to the end of the previous fiscal year). Major factors include a ¥2,316 million decline in notes and accounts payable—trade, a ¥1,382 million decrease in the current portion of long-term loans payable, and the provision for retirement benefits fell ¥681 million. Meanwhile, electronically recorded obligations grew ¥2,563 million, and other current liabilities expanded ¥798 million.

(Net assets)

Total assets were ¥70,704 million as of September 30, 2011, up ¥796 million compared with March 31, 2011. Among chief factors were a ¥771 million decrease in deferred gains or losses on hedges and a ¥554 million lower foreign currency translation adjustment, while retained earnings rose ¥2,099 million, owing to first-half net income of ¥2,780 million.

(3) Forecast for Consolidated Business Performance

Although performance was solid through the first quarter, sales fell off in the second quarter, reflecting a decline in orders that we had pushed ahead in anticipation of electric power supply restrictions during the summer months, as well as a falloff in real demand as global economic conditions deteriorated and customers adjusted their inventories. The outlook remains dire, owing to such factors as unprecedented levels of yen appreciation; sluggish corporate activity, including from supply chain disruptions stemming from flooding in Thailand; and concerns about sovereign debt defaults in the euro region. Owing to uncertainties such as these, we consider a second-half recovery unlikely. Accordingly, we have revised full-year forecasts for net sales, operating income, ordinary income and net income downward from previously announced forecasts.

2. Other Information

(1) Application of special accounting treatment in the preparation of quarterly consolidated financial statements

Not applicable

(2) Additional Information

Furukawa-Sky began applying the "Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Statement No.24) and the "Guidance on Accounting Standard for Accounting Changes and Error Corrections" (ASBJ Guidance No.24), both released on December 4, 2009, since the beginning of Q1 of the current fiscal year when changes in accounting policies and corrections of prior period errors are made.

(3) Changes in the Scope of Consolidation and Companies Accounted for under the Equity Method

Arrow Aluminum Holding Inc. (name changed to Tri-Arrows Aluminum Holding Inc. in October 2011) was included as an equity-method affiliated during the second half under review.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	Previous fiscal year (Term ended March 31, 2011)	FY2012 2nd Quarter (Term ended September 30, 2011)	(Millions of yen)
Assets			
Current assets			
Cash and deposits	4,747	4,135	
Notes and accounts receivable-trade	58,159	58,400	
Merchandise and finished goods	4,711	4,926	
Work in process	8,982	11,206	
Raw materials and supplies	11,521	11,527	
Deferred tax assets	1,366	1,789	
Short-term loans receivable	17,598	10,000	
Accounts receivable-other	5,168	4,177	
Other	647	607	
Allowance for doubtful accounts	(117)	(130)	
Total current assets	112,782	106,639	
Noncurrent assets			
Property, plant and equipment			
Buildings and structures, net	21,494	20,824	
Machinery, equipment and vehicles, net	28,012	24,712	
Land	36,393	36,392	
Construction in progress	1,119	1,916	
Other, net	2,398	2,413	
Total property, plant and equipment	89,417	86,257	
Intangible assets			
Goodwill	640	542	
Software	1,145	1,079	
Other	105	105	
Total intangible assets	1,890	1,727	
Investments and other assets			
Investment securities	4,777	14,383	
Long-term prepaid expenses	246	230	
Deferred tax assets	4,538	4,355	
Other	4,406	4,360	
Allowance for doubtful accounts	(179)	(164)	
Total investments and other assets	13,789	23,165	
Total noncurrent assets	105,096	111,149	
Total assets	217,878	217,787	
Liabilities			
Current liabilities			
Notes and accounts payable-trade	41,217	38,901	
Electronically recorded obligations	751	3,314	
Short-term loans payable	27,375	27,466	
Current portion of bonds	270	260	
Current portion of long-term loans payable	3,219	1,837	
Accounts payable-other	4,934	5,082	
Accrued expenses	8,085	8,359	

	(Millions of yen)	
	Previous fiscal year (Term ended March 31, 2011)	FY2012 2nd Quarter (Term ended September 30, 2011)
Income taxes payable	1,196	1,357
Accrued consumption taxes	493	295
Other	628	1,426
Total current liabilities	88,169	88,296
Noncurrent liabilities		
Bonds payable	186	332
Long-term loans payable	45,808	45,490
Provision for retirement benefits	10,948	10,266
Provision for directors' retirement benefits	129	110
Deferred tax liabilities	50	44
Provision for environment measures	198	188
Provision for restructuring	755	754
Other	1,728	1,603
Total noncurrent liabilities	59,802	58,788
Total liabilities	147,971	147,084
Net assets		
Shareholders' equity		
Capital stock	16,528	16,528
Capital surplus	35,184	35,184
Retained earnings	18,284	20,384
Treasury stock	(2)	(2)
Total shareholders' equity	69,995	72,094
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	193	194
Deferred gains or losses on hedges	157	(614)
Foreign currency translation adjustment	(982)	(1,536)
Total accumulated other comprehensive income	(633)	(1,956)
Minority interests	546	566
Total net assets	69,907	70,704
Total liabilities and net assets	217,878	217,787

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

(Millions of yen)

	FY2011 2nd Quarter (From April 1, 2010 to September 30, 2010)	FY2012 2nd Quarter (From April 1, 2011 to September 30, 2011)
Net sales	105,997	100,802
Cost of sales	90,455	87,322
Gross profit	15,541	13,480
Selling, general and administrative expenses	8,409	8,375
Operating income	7,132	5,105
Non-operating income		
Equity in earnings of affiliates	249	171
Other	214	211
Total non-operating income	463	382
Non-operating expenses		
Interest expenses	576	551
Other	253	106
Total non-operating expenses	829	657
Ordinary income	6,766	4,830
Extraordinary income		
Gain on sales of noncurrent assets	7	4
Repayment of allowance for doubtful accounts	39	—
Other	12	0
Total extraordinary income	58	4
Extraordinary loss		
Loss on retirement of noncurrent assets	49	90
Loss on valuation of investment securities	12	186
Impairment charge	226	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	710	—
Other	34	28
Total extraordinary losses	1,030	304
Income before income taxes and minority interests	5,794	4,530
Income taxes-current	344	1,378
Income taxes-deferred	(37)	316
Total income taxes	307	1,694
Income before minority interests	5,487	2,836
Income of minority shareholders	53	56
Net income	5,434	2,780

Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	FY2011 2nd Quarter (From April 1, 2010 to September 30, 2010)	FY2012 2nd Quarter (From April 1, 2011 To September 30, 2011)
Income before minority interests	5,487	2,836
Other comprehensive income		
Valuation difference on available-for-sale securities	(59)	1
Deferred gains (losses) on hedges	(445)	(688)
Foreign currency translation adjustment	(105)	(18)
Share of other comprehensive income of associates accounted for using equity method	(164)	(622)
Total other comprehensive income	(773)	(1,327)
Comprehensive income	4,714	1,509
(Attributable to)		
Parent company shareholders	4,677	1,457
Minority interests	36	53

(3) Notes on the Assumption of a Going Concern

Not applicable

(4) Notes in the Event of Significant Changes in the Amount of Shareholders' Equity

Not applicable

(5) Subsequent Events

FY2012 2nd Quarter (from April 1, 2011 to September 30, 2011)

At a Board of Directors meeting on November 4, 2011, Furukawa-Sky decided to sign an agreement to purchase a site within the Amata City Industrial Estate in Rayong Province in eastern Thailand and to provide 100% of the investment to build an aluminum rolling mill on the site.

The goal in constructing the new plant is to manufacture and sell aluminum sheet materials—used in such items as beverage cans, automotive heat exchangers and electrical components—to meet expected demand growth in Southeast Asia. We will begin Phase I of the project by providing raw materials from plants in Japan, using cold-rolling machines lying idle after discontinuing upstream processing at the Nikko Plant to handle cold-rolling and later processes. In Phase II, we plan to transition to integrated production, beginning with casting, and expand the plant's capacity.

During Phase I, annual production capacity is likely to be around 60,000 tons, with plant construction costing ¥13.0 billion. Construction will begin around March 2012, and operations are to start in January 2014.

Furukawa-Sky expects to fund most of the construction internally, but may raise funds from financial institutions if necessary.

< Overview of the New Plant >

Location:	Within the Amata City Industrial Estate, Rayong Province, Thailand
Production capacity:	Approximately 60,000 tons/year (Phase I)
Construction cost:	Approximately ¥13.0 billion (Phase I)
Start of construction:	Scheduled for March 2012 (Phase I)
Start of operations:	Scheduled for January 2014 (Phase I)
Business:	Manufacture and sale of rolled aluminum sheet