



Results Briefing for the Year Ended March 31, 2010

May 11, 2010



<Today's Content>

1. Performance Summary for the Fiscal Year Ended March 31, 2010 (fiscal 2010)
2. Results Forecast for the Fiscal Year Ended March 31, 2011 (fiscal 2011)
3. Management Strategies —Outlook—



1. Performance Summary for the Fiscal Year Ended March 31, 2010 (fiscal 2010)



Fiscal 2010: Main Aspects of Performance

■ Sales Volume

Sales of can stock were down in the first half, and recovery of retail and IT-related sales was delayed, so year-on-year sales were down around 5%.

⇒ However, sales volume rose 14% in the second half compared with the first, with recovery in all sectors.

■ Operating income

Fuel and auxiliary materials prices were stable	(+3.7 billion yen)
Effects of expense reductions (including emergency measures)	(+2.4 billion yen)
Effect of poor spot position remained due to a drop in prices in the second half of 2008	(-4.6 billion yen)

■ Net income/loss

Revised outlook for recovery of deferred tax assets	(+2.7 billion yen)
---	--------------------

Fiscal 2010 Result (Y on Y)

< Consolidated >

(Billions of yen)

	Fiscal 2009 (A)	Fiscal 2010 (B)	Change (B) – (A)	Change rate (%) (B-A) / (A)
Net sales	228.6	185.6	(43)	(19)%
Operating income (loss)	0.8	0.6	(0.3)	(31)%
Ordinary income (loss)	(0.6)	(0.7)	(0.1)	-
Net income (loss)	(11.5)	(0.8)	10.7	-

< Non-consolidated > (Reference)

(Billions of yen)

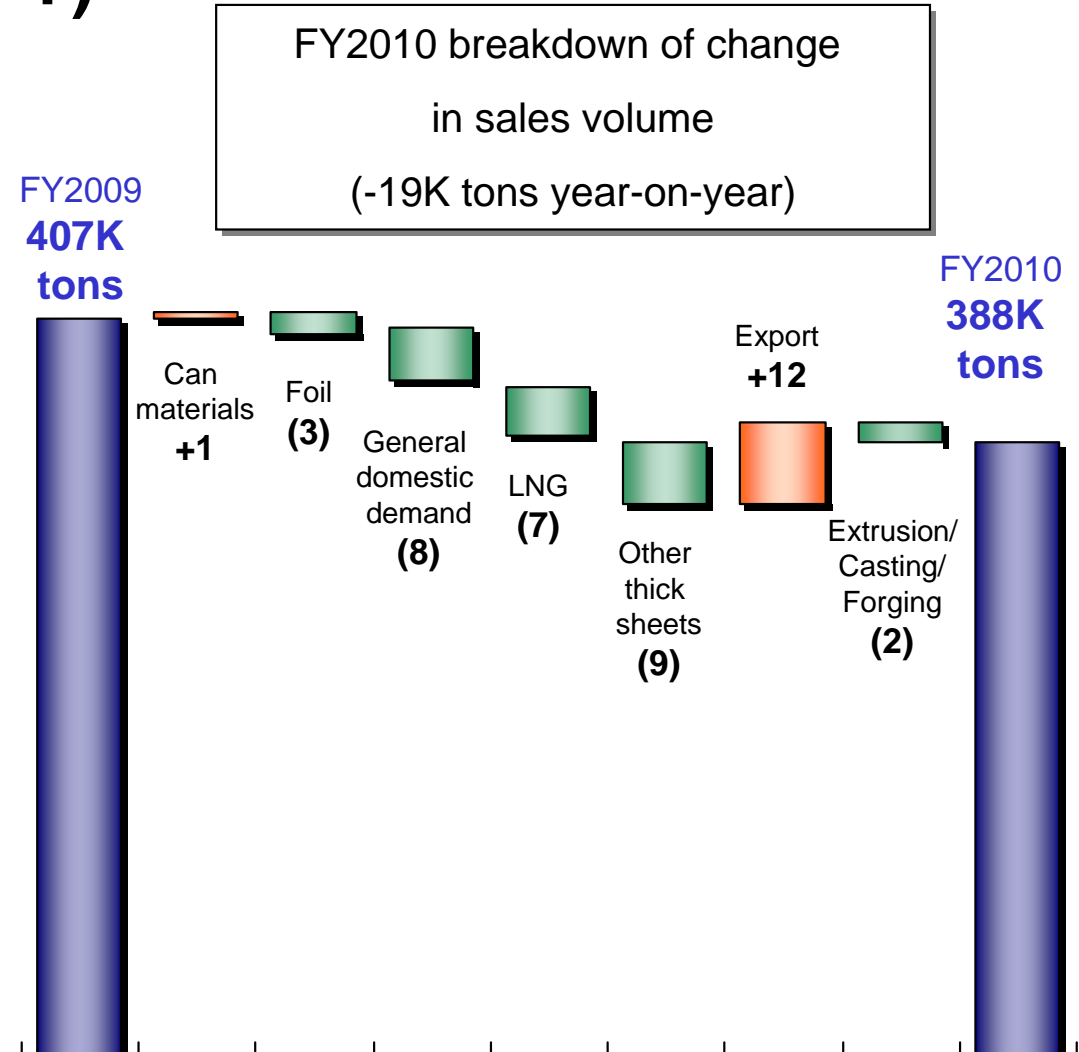
	Fiscal 2009 (A)	Fiscal 2010 (B)	Change (B) – (A)	Change rate (%) (B-A)/(A)
Net sales [Volume]	201.0 [407K tons]	160.7 [388K tons]	(40.3) [(19)K tons]	(20)% [(5)%]
Operating income (loss)	(0.5)	0	0.6	-
Ordinary income (loss)	(1.6)	(0.9)	0.7	-
Net income (loss)	(11.4)	(0.5)	10.9	-



Fiscal 2010: Comparison of Sales Volumes by Product Category (Y on Y)

(Thousand tons)

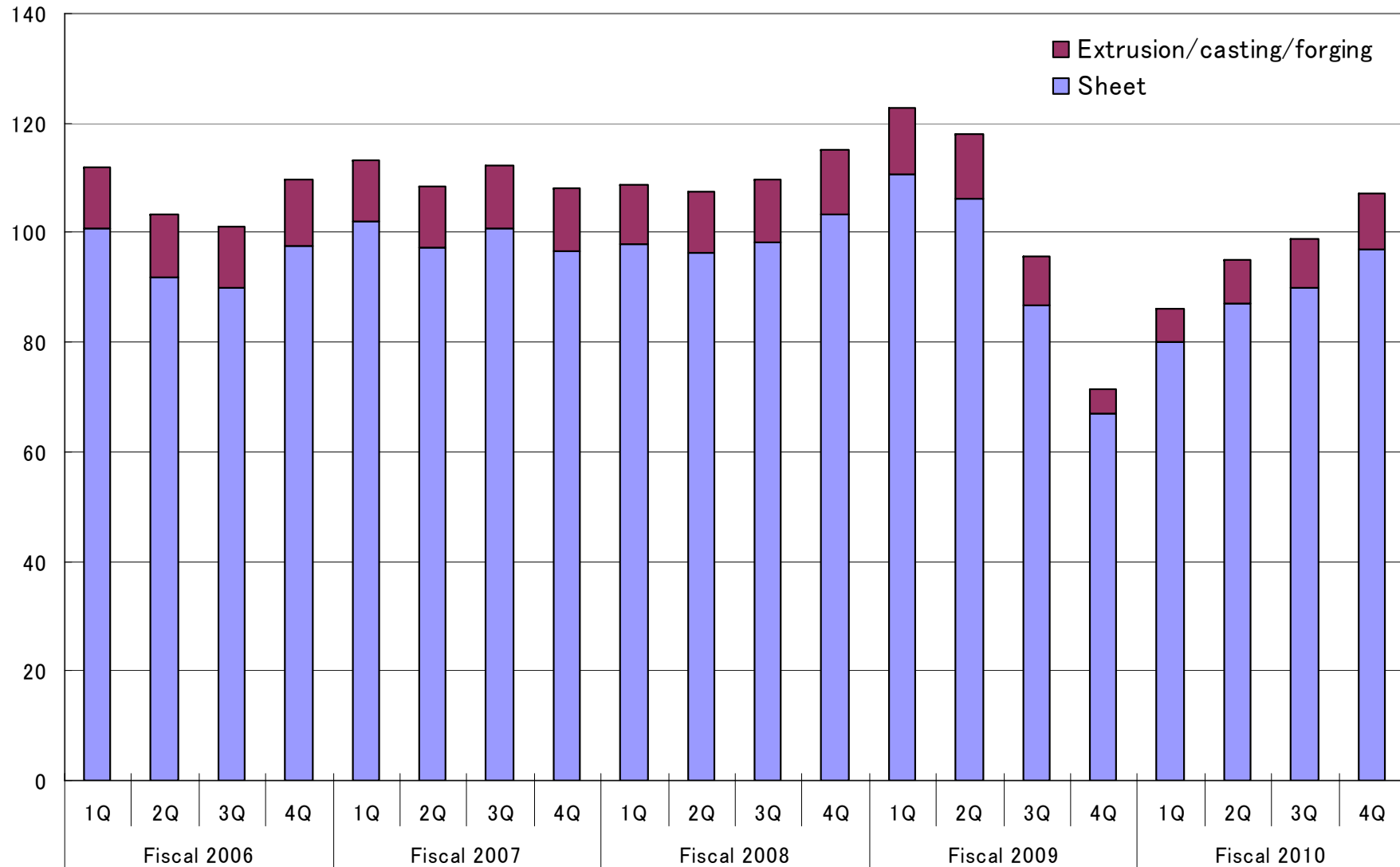
Product category		FY2009	FY2010	Y on Y (%)	
Sheets	Can materials	112	113	100.9	
	Foil	36	33	91.7	
	General domestic demand	123	115	93.5	
	Thick Sheets	LNG	12	5	41.7
		Other	30	21	70.0
	Export	57	69	121.1	
	Subtotal	370	355	95.9	
Subtotal of Extrusion		34	32	94.1	
Subtotal of Casting/Forging		2	2	100.0	
Total		407	388	95.3	





Sales Volume Trends (Fiscal 2006-2010)

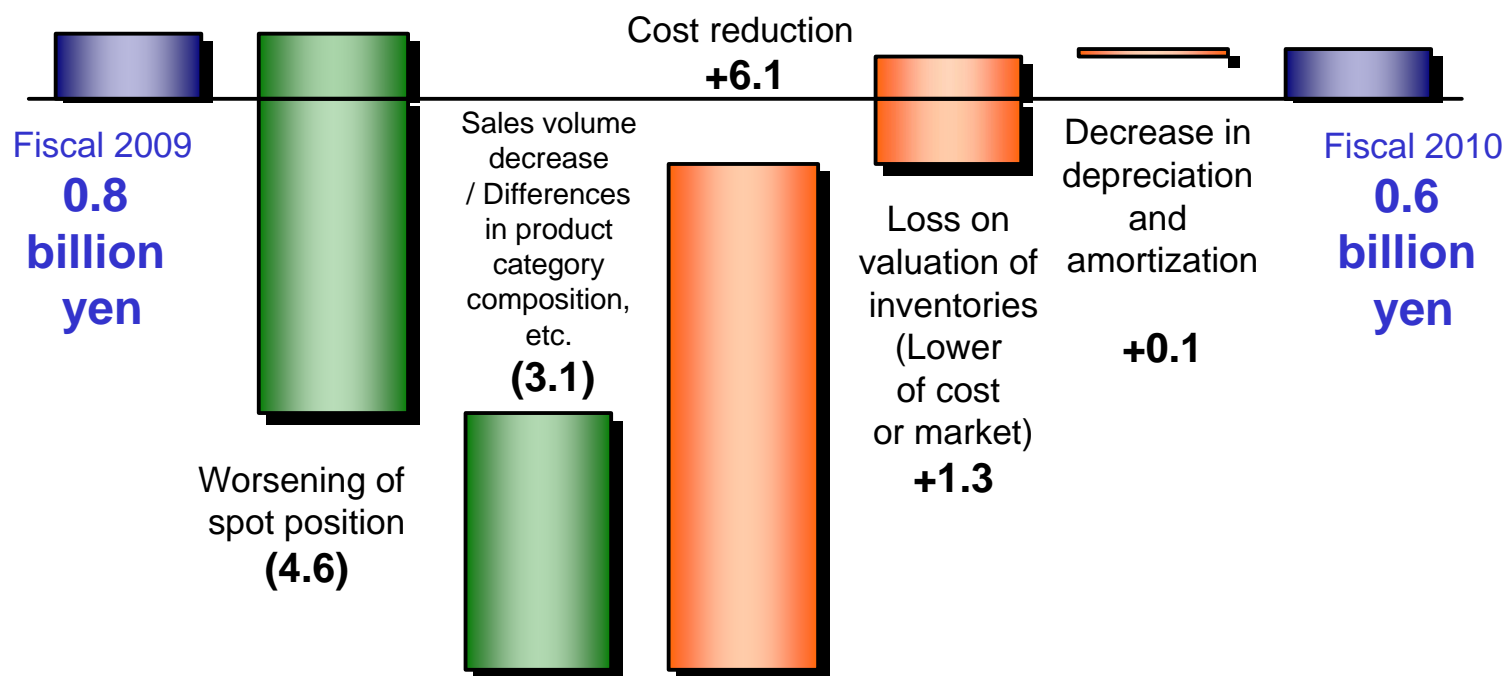
(Thousand tons)





Analysis of Consolidated Operating Income (Fiscal 2009-2010)

FY2009 to 2010 breakdown of change in consolidated operating income (-0.2 billion yen)





Consolidated Balance Sheets

(Billions of yen)

	March 2009	March 2010	Change
Current assets	79.5	89.2	9.7
Cash and deposits	3.6	4.2	0.6
Notes and accounts receivable-trade	40.1	58.3	18.1
Inventories and advance payments-trade	27.2	21.0	(6.3)
Other	8.6	5.8	(2.8)
Noncurrent assets	114.1	110.9	(3.2)
Tangible and intangible assets	108.6	100.2	(8.4)
Investments and other assets	5.5	10.7	5.2
Total assets	193.6	200.2	6.5

	March 2009	March 2010	Change
Current liabilities	84.5	85.7	1.2
Notes and accounts payable-trade, accounts payable-other, accrued expenses	43.0	51.8	8.8
Short-term loans payable, current portion of long-term loans payable, bonds	35.4	32.8	(2.6)
Other	6.2	1.1	(5.1)
Noncurrent liabilities	52.4	54.9	2.4
Long-term loans payable and bonds payable	37.4	40.4	3.0
Other	15.0	14.5	(0.5)
Total shareholders' equity	55.0	59.1	4.1
Minority interests	1.7	0.5	(1.2)
Total liabilities and net assets	193.6	200.2	6.5
Balance of interest-bearing debt	72.8	73.2	0.4



Consolidated Key Indicators

	FY2009	FY2010
Operating margin	0.4%	0.3%
Owners' equity ratio	28.4%	29.5%
ROE	(17.7)%	(1.3)%
Debt/equity ratio	1.3	1.2

(FYI)

Owners' equity ratio = [net assets (end of fiscal year) - minority interests] / total assets (end of fiscal year)

ROE = Net income/loss / [net assets (end of term average) - minority interests (end of term average)]

Debt/equity ratio = Balance of interest-bearing debt (end of fiscal year) / [net assets (end of fiscal year) - minority interests]



2. Results Forecast for the Fiscal Year Ended March 31, 2011 (fiscal 2011)



Fiscal 2011

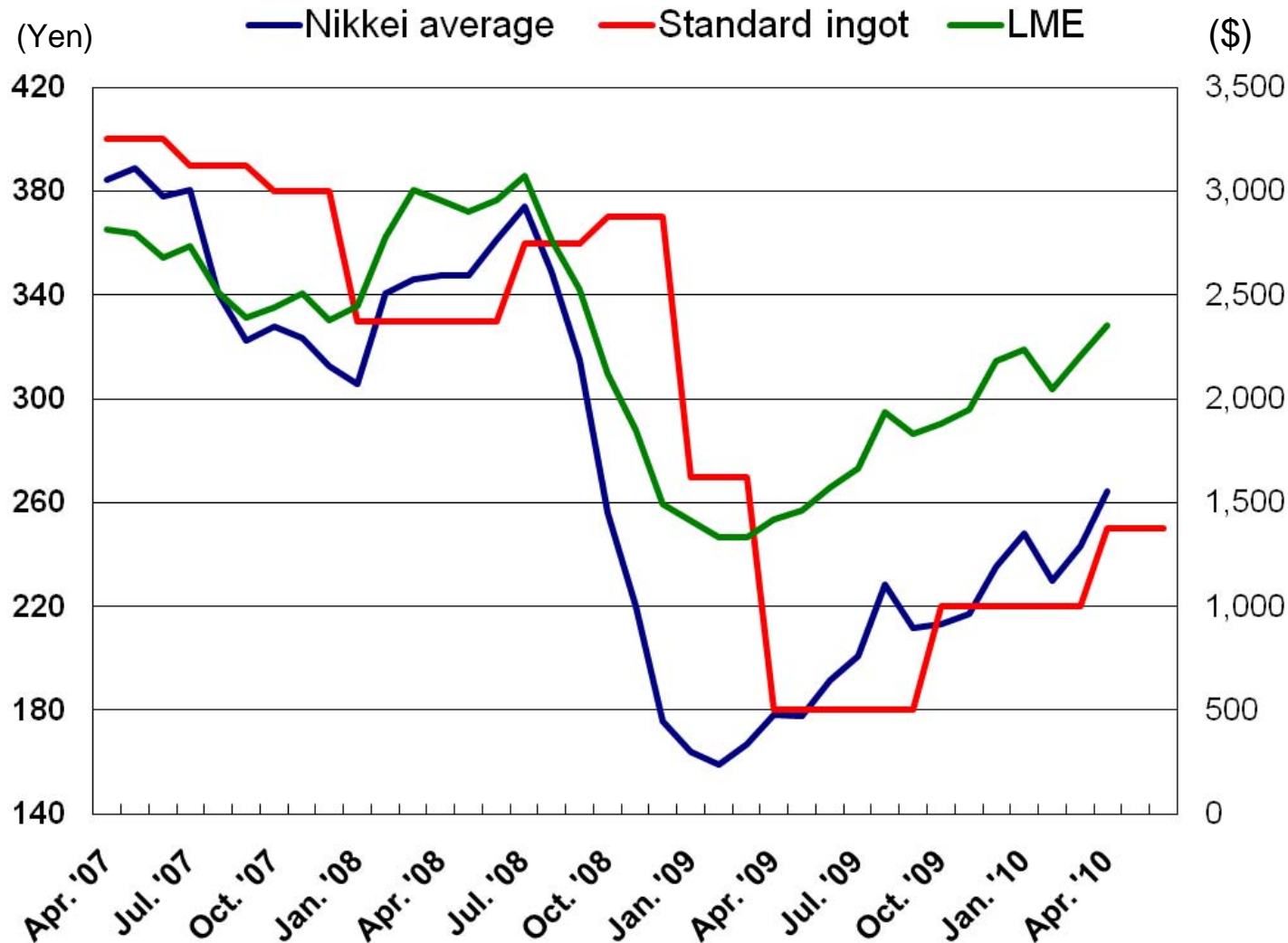
Main Aspects of Results Forecast

■ Fiscal 2011 Forecast

- We assume a gradual recovery in the economy and overall recovery of sales volumes.
- Nonetheless, the market overall remains opaque.
- Strengthen response to overseas markets, such as China, showing marked growth.



Spot aluminum: Nikkei average, standard ingot, LME trend





Fiscal 2011 Results Forecast

< Consolidated >

(Billions of yen)

	Fiscal 2010 (A)		Fiscal 2011 forecast (B)		Change (B) - (A)	Change rate (%) (B-A) / (A)		
	First half	Second half	First half	Second half				
Net sales	185.6	85.4	100.2	191.5	97.1	94.4	5.9	3%
Operating income (loss)	0.6	(5.7)	6.3	8.0	4.0	4.0	7.4	1,299%
Ordinary income (loss)	(0.7)	(6.4)	5.8	7.2	3.6	3.6	7.9	-
Net income (loss)	(0.8)	(8.4)	7.7	6.1	2.9	3.2	6.9	-

< Non-consolidated >

(Billions of yen)

	Fiscal 2010 (A)		Fiscal 2011 forecast (B)		Change (B) - (A)	Change rate (%) (B-A) / (A)		
	First half	Second half	First half	Second half				
Net sales [volume]	160.7 [388K tons]	73.7 [181K tons]	87.0 [207K tons]	167/2 [405K tons]	85.8 [210K tons]	81.4 [195K tons]	6.5 [17K tons]	4% (4%)
Operating income (loss)	0	(5.4)	5.5	6.4	3.4	3.0	6.4	21,233%
Ordinary income (loss)	(0.9)	(5.8)	5.0	5.4	3.0	2.4	6.3	-
Net income (loss)	(0.5)	(8.0)	7.5	4.8	2.5	2.3	5.3	-

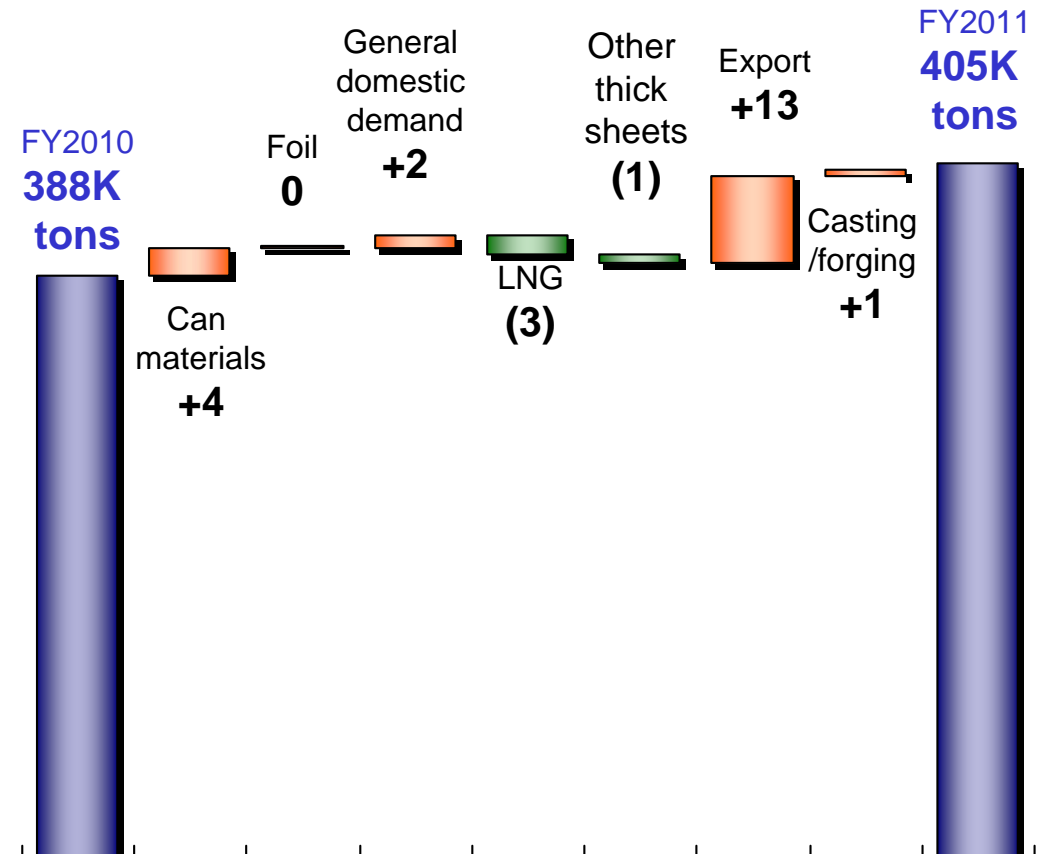


Forecast of Sales Volumes by Product Category for Fiscal 2011

(Thousand tons)

Product category		Fiscal 2010		Fiscal 11				
		First	Sec.	First	Sec.	Sec.		
Sheets	Can materials	113	60	53	117	65	52	
	Foil	33	16	17	33	16	17	
	General domestic demand	115	52	62	117	58	58	
	Thick sheets	LNG	5	3	2	2	0	2
		Other	21	8	13	20	11	9
	Export	69	28	40	82	43	40	
	Subtotal	355	167	188	371	193	178	
	Subtotal of extrusion	32	14	18	33	16	17	
	Subtotal of casting/forging	2	1	1	1	1	1	
	Total	388	181	207	405	210	195	

FY2010 to 2011 breakdown of change in sales volume forecast
(+17K tons year-on-year)

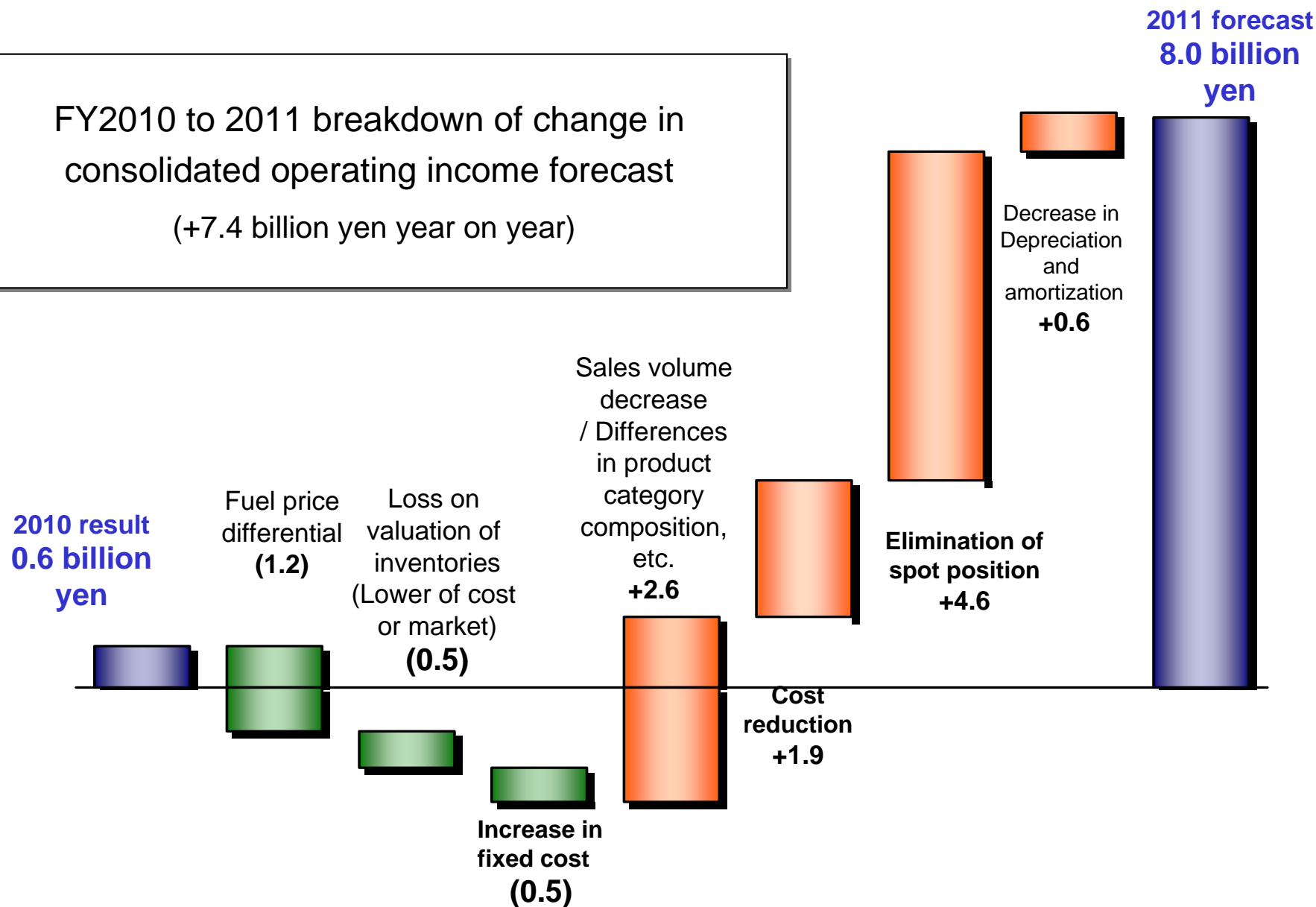




Analysis of Consolidated Operating Income

(Fiscal 2011 forecast year-on-year)

FY2010 to 2011 breakdown of change in consolidated operating income forecast
(+7.4 billion yen year on year)





3. Management Strategies

—Outlook—

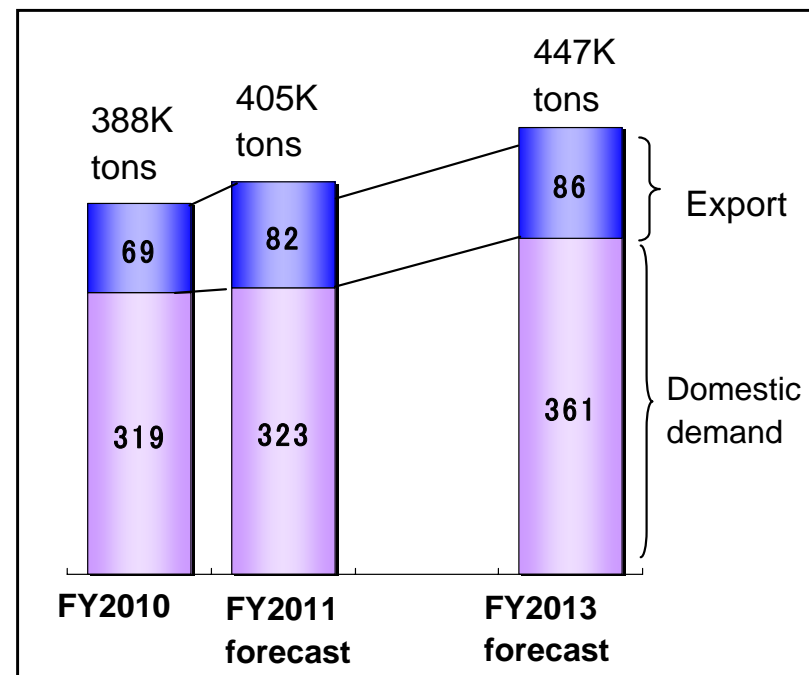


1. Sales Volume Expansion

(Fiscal 2011-2013 +42K tons)

Japan: Further overall recovery of demand foreseen

Overseas: Strengthen response to overseas markets, such as China, showing marked growth Actively develop our specialty fields such as can stock, printing plates, automotive heat exchangers



2. Promoting Structural Reform and Cost Reduction Efforts

(Fiscal 2011-2013 : Approximately 2.6 billion yen)

- Implementing structural reform in sheet business: suspend upstream processes at Nikko Works, reform of color aluminum business

➡ Appearance of benefits in Fiscal 2013: **0.9 billion yen**

- Realize benefits of cost reduction through plant concentration (part of previous Medium-Term Plan)

- Cost reduction efforts

➡ **1.7 billion yen**



3. Developing Business in New Markets

< Lithium-ion batteries (LIB) >

- Expand sales of foil for cathode current collectors for automotive-use LIBs and for battery covering, and expand development of business through high-performance next-generation product development. Create a comprehensive structure for product development and manufacturing technology, from foil stock through finished foil products, with Nihon Metal Foil, which has become our wholly-owned subsidiary.

< Electric vehicles (EV) >

- Move forward with developing new products and new applications from the seeds of our technology. Develop and enhance applications of EV Unit-related products (batteries, motors, inverters, air conditioning, etc.)



4. Global Development – 1

<China: Strengthening Ruyuan Dongyangguang >

- By strengthening technology cooperation we can increase market share as well enterprise value. We will transfer technology to be employed in the manufacture of automotive heat exchangers intended for sale to customers both within and outside China.

<Establishing a Wholly-Owned Coil Center in Thailand>

- Furukawa-Sky Aluminum (Thailand) Co., Ltd. Our Thailand coil center was established in response to anticipated automotive-related demand in SE Asia and India..

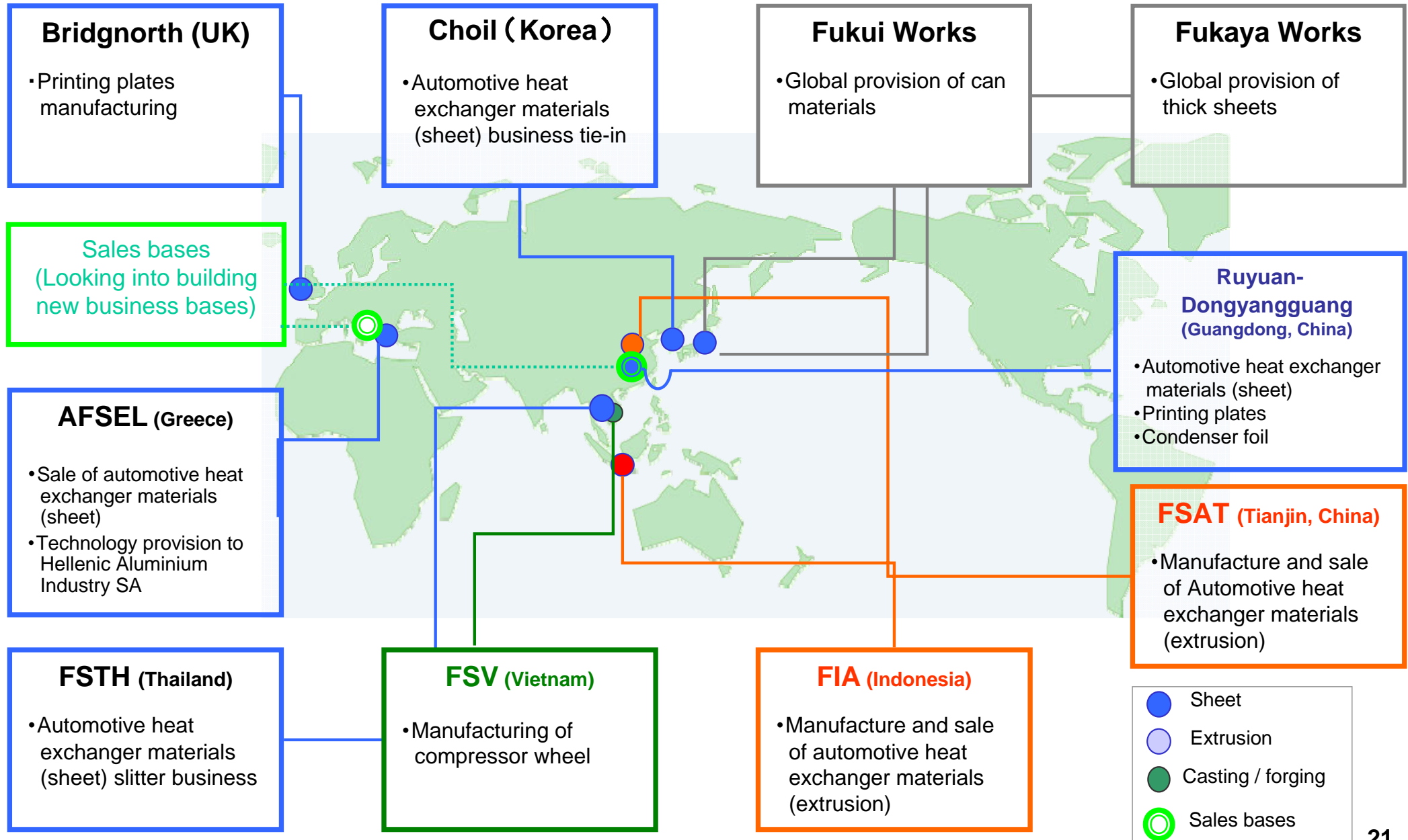


<Shoring up Our Business Network>

- In response to global market expansion, we are establishing bases in China, Europe, and elsewhere to collect information and conduct business.



4. Global Development – 2





■ **Forward-looking statements**

Other than historical or current factual information concerning plans for sales, profits, etc. listed in this document, all forward-looking statements concerning factors which may affect performance, including those pertaining to industry trends related to the Group's businesses, as well as economic conditions, exchange rates and other factors, shall be presumed to be based on the Company's hypotheses and judgments formed in light of currently available information.

Forecasts made in this document contain known and unknown risks and uncertainties, and actual sales and profits, as well as the plans listed in this document, may in the future vary greatly from the forward-looking statements due to a variety of factors, so please be aware that no guarantees or warranties are implied or presented. Moreover, this document is not intended as an enticement to invest.

■ **Copyright**

All copyrights and other rights pertaining to each section of this document are the property of Furukawa Sky Aluminum Corporation, and unauthorized duplication or transmission by any means is prohibited.

■ **For more information:**

PR/IR Department TEL : 81-3-5295-3800 FAX : 81-3-5295-3760

**http://www.furukawa-sky.co.jp/english/en_index.htm
(First Section of Tokyo Stock Exchange Code no.: 5741)**