

2. Dividends

	Annual dividends					Total cash dividends (Total)	Payout ratio (Consolidated)	Net asset payout ratio (Consolidated)
	1st quarter	2nd quarter	3rd quarter	Year-end	Total			
Year Ended/Ending:	¥	¥	¥	¥	¥	¥million	%	%
March 31, 2012	—	3.00	—	3.00	6.00	1,363	38.5	1.9
March 31, 2013	—	3.00	—	3.00	6.00	1,363	43.3	1.9
March 31, 2014 (Forecasts)	—	3.00	—	—	—		—	

The year-end dividend amount for the fiscal year ending March 31, 2014, has not yet been determined. We intend to provide this information promptly, as soon as the dividend forecast amount can be disclosed.

3. Forecast for Consolidated Business Performance for the Second Quarter Ended September 30, 2013 (from April 1, 2013 to September 30, 2013)

(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
	¥million	%	¥million	%	¥million	%	¥million	%	¥
First half	95,500	2.3	2,900	1.6	3,300	5.6	1,800	(0.8)	7.93

We expect to consider and release our operating result forecasts for the fiscal year ending March 31, 2014, following the business integration with Sumitomo Light Metal Industries, Ltd., which is scheduled for October 1, 2013.

Notes

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

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

a. Changes in accounting policies owing to revisions in accounting standards: Yes

b. Changes in accounting policies other than a. above: No

c. Changes in accounting estimates: Yes

d. Restatements: No

Article 14-7 of the "Regulation for Terminology, Forms and Preparation of Consolidated Financial Statements" (if it is difficult to distinguish changes in accounting policies from changes in accounting estimates) is applied. For details, please refer to "(5) Notes to the Consolidated Financial Statements (Changes in accounting policies that are difficult to differentiate from changes in accounting estimates)" in "4. Consolidated Financial Statements" on page 17.

(3) Number of shares outstanding (common stock)

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

As of March 31, 2013 227,100,000 shares

As of March 31, 2012 227,100,000 shares

b. Number of shares of treasury stock at the end of the period

As of March 31, 2013 12,955 shares

As of March 31, 2012 12,273 shares

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

For the year ended March 31, 2013 227,087,464 shares

For the year ended March 31, 2012 227,087,727 shares

(Disclosure of Implementation Status of Audit Procedures)

This earnings report is exempt from audit procedure based upon the Financial Instruments and Exchange Act. The audit 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.

Please refer to the section entitled "1. Business Performance (1) Analysis of Business Performance" on page 2 for information concerning assumptions forming the bases of performance forecasts.

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1. Business Performance and Financial Position

(1) Analysis of Business Performance (Results for the Term Ended March 31, 2013)

During the fiscal year under review, the global economy was characterized by a growing overall sense of deceleration. Some improvements were evident in U.S. employment and housing figures, but risks related to public-sector financial issues in Europe remained, and emerging markets such as China and India showed signs that high rates of economic growth were beginning to wane.

Meanwhile, the Japanese economy experienced reconstruction demand following the Great East Japan Earthquake, but the overall economy remained stagnant as a result of a slowdown in overseas economies and shrinking domestic demand. Signs of optimism began to appear around the time the Japanese administration changed at the end of 2012, the monetary easing encouraging higher stock prices and yen depreciation, but some time will be needed before this sense of confidence feeds into the real economy.

Looking at demand in the rolled aluminum industry, of which the Group is a member, demand for automotive items was firm, but demand for mainstay can stock remained flat, and demand for foil base used in electronics was weak. Consequently, overall demand for rolled products was down year on year.

In this environment, the Group's overall sales volume fell approximately 2% from the preceding fiscal year. These results stemmed from lackluster demand for can stock and falling demand for foil base, although demand rose for thick plate for LNG tankers and construction materials.

The Furukawa-Sky Group has proceeded with a variety of measures as called for in our three-year Medium-Term Management Plan, which ran for the three years from fiscal 2010 (the fiscal year ended March 31, 2010) through fiscal 2013 (the fiscal year ended March 31, 2013). These included such measures in our domestic business as restructuring our rolled aluminum operations and strengthening our business foundations, while at the same time taking appropriate measures concerning growing overseas markets.

Furthermore, in August 2012 we announced plans to integrate our business with Sumitomo Light Metal Industries, Ltd. Through this move, we aim to become a "major aluminum company with global competitiveness," and we will put in place a host of measures to move to a new stage of operations

As a result, net sales for the consolidated fiscal year were ¥183,702 million (previous fiscal year's net sales: ¥193,972 million), operating income was 5,339 million (previous fiscal year's operating income: ¥6,360 million), ordinary income was ¥5,819 million (last year's result was a income of ¥6,411 million), and net income was ¥3,146 million (last year's result was a net income of ¥3,540 million).

(Performance Forecasts)

Our operating environment is changing at an accelerating pace. In addition to a slowing global economy and exchange rate fluctuations, increasingly our customers are shifting their production bases overseas, thereby altering the demand structure in Japan.

Our Group is dealing with these trying times through a variety of everyday measures to improve revenue, as well as by strengthening overall Group soundness by proceeding with structural reforms of our domestic operations and strengthening our base of operations. We are also developing our overseas operations to respond more accurately in expanding overseas markets and developing new products in high-growth and next-generation product areas. We are also pushing forward in line with our planned business integration with Sumitomo Light Metal Industries, Ltd., announced in August 2012. Through these efforts, we aim to become a "major aluminum company with global competitiveness." We intend to respond proactively to global market needs, reinforce our management foundations and make a vigorous push to bolster profitability.

Our forecast results for the fiscal year ended March 31, 2014 is for half-year total net sales of ¥95,500 million, operating income of ¥2,900 million, ordinary income of ¥3,300 million, and net income of ¥1,800 million. We expect to consider and release our operating result forecasts for the fiscal year ending March 31, 2014, following the business integration with Sumitomo Light Metal Industries, Ltd., which is scheduled for October 1, 2013.

(2) Analysis of Financial Position

(Status of Assets, Liabilities and Equity as of March 31, 2013)

Consolidated total assets as of March 31, 2013 increased ¥4,784 million from the end of the previous fiscal year, reaching ¥217,782 million. Current assets decreased by ¥7,109 million to ¥95,561 million, which was mainly due to an increase in cash and deposits of ¥1,404 million and decreases in notes and accounts receivable-trade of ¥3,176 million and in short-

term loans receivable of ¥5,800 million. Fixed assets increased year-on-year by ¥11,893 million to ¥122,221 million due mainly because tangible fixed assets and investment securities increased ¥8,703 million and ¥3,130 million respectively.

Meanwhile, total liabilities decreased ¥1,336 million year-on-year to ¥140,483 million mainly because notes and accounts payable-trade decreased ¥1,427 million.

Total net assets increased ¥6,120 million year-on-year to ¥77,299 million. This is because of the posting of net income of ¥3,146 million despite payment of ¥1,363 million in dividends, resulting in an increase in retained earnings of ¥1,987 million.

(Cash Flows)

Consolidated cash and cash equivalents on March 31, 2013 came to ¥9,023 million, ¥2,317 million less than the end of the preceding year.

Cash flows from operating activities, investing activities and financial activities at the end of the fiscal year ended March 31, 2013 are as follows:

(1) Net cash provided by (used in) operating activities

Net cash provided by operating activities was ¥12,766 million or ¥4,843 million less than in the preceding fiscal year due to depreciation and amortization of ¥10,866 million.

(2) Net cash provided by (used in) investing activities

Net cash used in investing activities amounted to ¥15,198 million or ¥5,885 million less than in the preceding fiscal year. The principal factor in this category was the purchase of property, plant and equipment, which used ¥16,003 million.

(3) Net cash provided by (used in) financing activities

Net cash used in financing activities was ¥7,075 million or ¥451 million less than in the preceding fiscal year. Major factors included income due to long-term loans payable of ¥10,940 million and payment due to net decrease in short-term loans payable of ¥2,290 million and repayment of long-term loans payable of ¥8,949 million.

Reference: Trends in Cash Flow Related Indicators

	Term ended March 31, 2010	Term ended March 31, 2011	Term ended March 31, 2012	Term ended March 31, 2013
Shareholders' equity ratio (%)	29.5	31.8	33.1	35.1
Shareholders' equity ratio based on market value (%)	26.1	25.2	28.3	29.7
Interest-bearing debt coverage ratio (%)	5.5	3.8	4.0	5.5
Interest coverage ratio (times)	10.8	17.9	16.1	12.5

Shareholders' equity ratio: Shareholders' equity /total assets

Shareholders' equity ratio based on market value: Total market value of stock/total assets

Interest-bearing debt coverage ratio: Interest-bearing debt / cash flows

Interest coverage ratio: Cash flows/interest paid

Notes:

1. All calculated according to financial figures on a consolidated basis
2. The calculation of the total market value of stock is based on the total number of shares outstanding, excluding treasury stock.
3. "Cash flows" refers to cash flows from operations.

4. The scope of interest-bearing debt is all liabilities in the Consolidated Balance Sheets for which interest is payable.

(3) Basic Policy on Profit Distribution, and Dividends for the Current and Upcoming Fiscal Years

We believe in the importance of returning profits to shareholders in the form of dividends. While it is our basic policy to provide stable, sustainable dividends, we also take factors, including company performance, financing needs and future business developments intended to increase corporate value, into consideration when determining the dividend amount.

The Company plans to pay ¥3 per share for the year-end dividend.

For the fiscal year ending March 31, 2014, we expect to pay an interim dividend of ¥3 per share, but our year-end dividend remains to be determined.

(4) Business Risks

Our Group's results are affected by the economic conditions in the various markets in which we offer our goods and services. Potential risk factors pertaining to operating results, share price, and financial condition are as follows.

Any forward-looking statements contained in the following are based on the best information available to the Group at the end of that consolidated fiscal year.

(1) Economic climate and business trends

While our Group focuses on offering a product lineup characterized by technical superiority, as a comprehensive rolled aluminum manufacturer we aim to create a business foundation that does not depend on demand in a particular market sector for steady operating results. Nonetheless, our results can be affected by changes in the overall Japanese economy, as well as by stalling product demand or lower demand due to occurrences such as cool summers or warm winters.

(2) Materials procurement

Our Group's procurement of certain auxiliary materials, such as magnesium and silicon, is overconcentrated in China, mainly due to highly advantageous production costs. Also, the supply of some aluminum ingots (which are our main raw material) we use for special purposes is limited, so costs can rise due to factors at the producers themselves, so constraints on supply can occur.

(3) Fluctuations in material and fuel prices

Aluminum ingots (our Group's main raw material) are traded on the commodity markets, and as such prices can fluctuate beyond expectations due to global conditions and market trends. Product selling prices basically consist of "spot price + processing fees," and while according to rules decided in advance we anticipate being able for the most part to pass on costs due to spot market fluctuation to customers, in the event of sudden fluctuations not all of these costs can be passed on in the short term depending on the aforementioned rules and the purchase amount at that time. Also, there exist a few customers to whom the above fluctuation rules do not apply, so price adjustments may not occur on time. At the same time, rises in the prices of metal materials used to make alloys, as well as oil price increases, not to mention higher prices for the various secondary materials, result in higher fuel and processing costs, as well as broadly increased power costs. This can have an adverse effect on Group performance and financial condition.

(4) Exchange rate fluctuations

Currently, the elements of our business affected by exchange rates include the purchase of materials, mainly aluminum ingots, export sales, payment for equipment exported by foreign subsidiaries and the earnings dividend. Our Group seeks to make sure the effect on operating results of fluctuations in the forex markets is minor by entering into forex futures contracts, but greater-than-expected market fluctuations may have an adverse effect on our Group's operating results.

(5) Interest rate risk

The majority of our long-term interest-bearing debt is at a fixed rate of interest, and that which is at a variable rate of interest is covered by interest swaps taken in response to interest rate fluctuations, but it is still impossible to avoid rate fluctuation risk entirely. Interest rate fluctuations may have an adverse effect on our Group's operating results.

(6) Infringement of intellectual property and other third-party rights

Our Group strives to avoid infringing on third-party intellectual property or other rights in the course of developing, manufacturing, using or selling our products and software, or any of our other business activities. Our efforts include preliminary investigation, and when necessary we also employ means such as the purchase of usage rights. Nonetheless, there is no guaranty that disputes among third parties, such as lawsuits claiming infringement of third-party intellectual property or other rights, will not arise. Infringement of third-party rights may cause cessation of production and sales, as well as the payment of large damages or settlement monies. When such is unavoidable there is the possibility of an adverse effect on our Group's

performance and financial condition.

(7) Product defects

Our Group provides products and services in accordance with the regulations and standards of Japan and other countries as well as the quality control standards we have developed over our many years in operation. Nonetheless, there is no guaranty that all of our products and services will be defect-free, or that we will not be forced to pay compensation for losses resulting from defects in the future. Defects in products such as drink cans and auto parts in particular may result in large additional costs. While we hold product liability insurance covering foreseeable risk, there is no guaranty that it will be sufficient to cover the final amount of damages. Product defects associated with large-scale compensation for loss or product liability may result in huge costs and have a serious effect on Group valuation, and may have an adverse effect on our Group's performance and financial condition.

(8) Asset impairment

Marked decreases in market prices for assets held by our Group as well as decreases in the earning capacity produced from our assets may occur as a result of a worsening of the market situation or business environment. Such cases may result in impairment losses for those assets.

(9) Response to environmental issues

Our Group strives to use materials and maintain production environments in compliance with the environmental regulations of every area in which we operate, both within and outside Japan. Nonetheless, in certain cases we are compelled to bear costs associated with new cleanup or removal measures, such as dealing with soil contamination or asbestos removal resulting from past manufacturing practices. In such cases, we prioritize environmental improvements in such areas. Also, waste and byproducts are produced in the course of production. Our Group handles these items properly in compliance with all laws and regulations, but the strengthening of environmental laws may have an adverse effect on performance.

(10) Effect of accidents on operation

We conduct high-temperature, high-pressure operations using our main equipment, such as casting furnaces and hardening furnaces. We take all possible precautions to prevent accidents during the use of such equipment, but a serious accident could impair production and may have an adverse effect on performance.

(11) Changes in overseas political environments

Our Group carefully examines the operating environment and the possibility for business continuity when developing business in foreign countries. Nonetheless, shifts in political direction may cause changes in exchange rate policy and tax incentives, as well as operational problems caused by social unrest. The manifestation of such unforeseeable risks may have a serious effect on the performance of our subsidiaries, as well as on the Group's investment in them.

(12) Fluctuation in prices of investment securities

Fluctuations in the prices of investment securities accompanying changes in the prices of listed stocks may have an adverse effect on our Group's performance.

(13) Natural disaster

A large-scale disaster such as an earthquake or typhoon may cause damage to Group's facilities, equipment, or personnel, as well as similarly cause damage at affiliate companies, and depending upon the severity of that damage may have a serious adverse effect on our Group's performance.

The occurrence of phenomena other than those listed above which are currently unforeseeable may have an adverse effect on our Group's performance and financial condition.

2. The Corporate Group Situation

The Group (Furukawa-Sky Aluminum Corp. (the Company) and its affiliated companies) was composed of the Company, 20 consolidated subsidiaries, and five other affiliates. The Group's main businesses are the manufacture and sale of rolled aluminum products, cast and forged aluminum products, and processed products.

Among the Group centered on our parent company, Furukawa Electric Co., Ltd., the Company is the enterprise engaged in the manufacture and sale of aluminum products.

The roles of Furukawa-Sky Aluminum Corp. (the Company) and its affiliated companies within the business, as well as within the business segments, of the Group are as follows. The segments are classified identically.

Rolled

Manufacture and sale of sheet rolling, foil, extruded, cast and forged products

(Major affiliated companies)

The Company, Nippon Foil Mfg. Co., Ltd., ACE21 Corp., Furukawa-Sky Shiga Corp., Higashi Nihon Tanzou Co., Ltd., Nippon Metal Foil Co., Ltd., Furukawa Color Aluminum Co., Ltd., Furukawa-Sky Aluminum (Thailand) Co., Ltd., PT.Furukawa Indal Aluminum, Furukawa-Sky Aluminum (Vietnam) Inc., Furukawa-Sky Aluminum (Tianjin) Corp., Tri-Arrows Aluminum Holding Inc., Tri-Arrows Aluminum Inc., Ruyuan Dongyangguang Plain Foil Co., Ltd., Bridgnorth Aluminium Ltd.

Processed products

Processing and sale of aluminum and other metals

(Major affiliated companies)

The Company, Nikkei Kakoh Co., Ltd., PennTecQ, Inc., Furukawa-Sky Techno Co., Ltd.

3. Management Policy

(1) Basic Management Policies

Furukawa-Sky advances its business by providing environmentally sound aluminum products that contribute to the community under the guidance of our management philosophy.

- 1) Furukawa-Sky develops and supplies products and services that satisfy our customers in order to enhance corporate value and contribute to improving society.
- 2) As a responsible corporate citizen, we work toward establishing a sustainable society.
- 3) We value workers highly and seek to help them realize their full potential.
- 4) We demonstrate corporate integrity by operating in accordance with ethical business standards and fully complying with prevailing laws and regulations.

We adhere to the following Guiding Principles in conducting business. In the event of noncompliance, we will determine its cause and take action to prevent its recurrence.

- 1) We develop and offer socially useful products and services to satisfy customers and earn their confidence.
- 2) We communicate extensively with stockholders, investors, and other stakeholders, proactively providing them with appropriate corporate information in a timely manner.
- 3) We consider efforts to counter global warming and build a recycling-oriented economic society an essential part of our corporate existence and activity. Accordingly, we take a proactive and voluntary role in such activities.
- 4) As a good corporate citizen, we proactively promote and sponsor social action programs.
- 5) We respect the personality, individuality, and diversity of Group employees. We provide a safe and comfortable working environment so that our employees can maximize their performance.
- 6) We compete in a fair, transparent, and equitable manner, conducting transactions on a rational basis.
- 7) We tolerate no relationships with antisocial groups or organizations.
- 8) As a member of the international community, we respect local cultures and practices and contribute to their development.

(2) Medium-Term Corporate Management Strategies and Pending Issues

Our operating environment is changing at an accelerating pace. In addition to a slowing global economy and exchange rate fluctuations, increasingly our customers are shifting their production bases overseas, thereby altering the demand structure in Japan.

Our Group has been responding to these trying times through a variety of everyday measures to improve revenue and also to strengthen overall Group soundness by continuing structural reforms of the rolled aluminum business. We are also pushing forward in line with our planned business integration with Sumitomo Light Metal Industries, Ltd., announced in August 2012. Through these efforts, we aim to become a “major aluminum company with global competitiveness.” We intend to respond proactively to global market needs, reinforce our management foundations and make a vigorous push to bolster profitability.

1. Continuous Progress on the New Medium-Term Management Plan

To address the changes in our operating environment, we formulated a three-year Medium-Term Management Plan, which ran from fiscal 2010 (the fiscal year ended March 31, 2010) through fiscal 2013 (the fiscal year ended March 31, 2013)

First step toward renewed growth and a stronger business foundation for operational expansion

1. Domestic business: Promote structural reform in existing businesses and develop a stronger business foundation
2. Overseas business: Effectively respond to overseas growth markets
3. New products: Develop business for high-growth products and next-generation products

In line with these basic policies, we worked toward renewed growth and a stronger business foundation for operational expansion, pursuing these two objectives simultaneously. Centering on the rolled aluminum business, we promoted structural reforms in Japan, and we strove proactively to develop business in overseas growth markets.

Through these measures, we strengthened our cost competitiveness in Japanese and overseas markets, setting the stage for us to win out among increasingly severe competition and enjoy ongoing growth. The term of this Medium-Term Management Plan concluded in fiscal 2013 (ended March 31, 2013), but we will continue to reflect these basic policies in measures going forward.

2. Execution of Business Integration

Furukawa-Sky Aluminum Corp. and Sumitomo Light Metal Industries, Ltd. have agreed to a business integration with October 1, 2013, as the scheduled effective date (the “Business Integration”) and executed a Basic Integration Agreement, with the spirit of their relationship being based on equality, as announced in “Execution of Basic Integration Agreement between Furukawa-Sky Aluminum Corporation and Sumitomo Light Metal Industries, Ltd.” dated August 29, 2012, and the Companies reached final agreement on the Business Integration and executed the Merger Agreement on April 26, 2013. For further details, please refer to the separate release entitled “Final Agreement regarding Business Integration between Furukawa-Sky Aluminum Corporation and Sumitomo Light Metal Industries, Ltd.”

In response to a difficult operating environment characterized by a decline in demand for rolled aluminum products in Japan and intensified competition in East Asia, this Business Integration targets improvement in the cost structure by effectively utilizing operating resources and achieving economies of scale. At the same time, we aim to significantly enhance our business foundation, making it possible to face intense competition with major overseas aluminum companies and new rolled aluminum companies in East Asia.

Having received approval of this Business Integration from the Japan Fair Trade Commission in February 2013, we are now

moving steadily forward with necessary procedures, including obtaining approval from the Company's general meeting of shareholders.

3. Enhanced Domestic and International Competitiveness

An increasing number of market competitors, particularly in East Asia, are responding to the growing demand for aluminum products such as automotive and electronic components, and including beverage can stock and similar products, as well as to the effects of long-term yen appreciation and natural disasters by shifting manufacturing overseas to where customers are located. Many also possess the latest in large-scale manufacturing facilities in neighboring countries. These competitors are improving product quality, which is allowing them to increase the intensity of their participation in the domestic market. Therefore, improving our competitiveness by cutting costs at our Japanese plants and expanding our overseas production are urgent tasks.

As part of our efforts to deal appropriately with growing overseas markets, we have decided to handle integrated production starting from upstream processes at our new sheet rolling plant in Thailand. Bringing this plant on line swiftly should enable us to create a system that will help us win out in global markets.

We are also proceeding with reforms of our sheet rolling business to achieve more efficient production in Japan. These include discontinuing upstream processes at the Nikko Works—which was completed according to plan. We plan to shift some of the disused facilities to plants overseas, thereby making effective use of Group assets. This will lead to the strengthening of our business foundation groupwide.

4. Management Emphasizing CSR

To achieve ongoing growth as a truly global company, we recognize the importance of being a corporate group that continues to be trusted and appreciated throughout the world. To this end, we are thorough in our compliance efforts, complying naturally with Japanese law as well as with the laws and regulations of all countries and regions in which we conduct business.

We are also considerate of the global environment and fulfill our responsibility to stakeholders throughout the world in a variety of ways, including by maintaining harmony with local communities. Going forward, as a good corporate citizen we will pursue initiatives aimed at creating a sustainable society.

We look forward to continuing to receive our shareholders' guidance and encouragement in the future.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Assets		
Current assets		
Cash and deposits	7,619	9,023
Notes and accounts receivable-trade	57,054	53,878
Merchandise and finished goods	4,412	4,667
Work in process	8,801	9,279
Raw materials and supplies	9,173	9,471
Deferred tax assets	1,452	1,206
Short-term loans receivable	8,801	3,000
Accounts receivable-other	4,906	4,067
Other	563	1,059
Allowance for doubtful accounts	(109)	(89)
Total current assets	102,670	95,561
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	20,541	20,303
Machinery, equipment and vehicles, net	24,361	22,191
Land	36,332	37,500
Construction in progress	2,230	12,559
Other, net	2,302	1,916
Total property, plant and equipment	85,766	94,469
Intangible assets		
Goodwill	445	250
Software	1,024	1,459
Other	105	111
Total intangible assets	1,574	1,820
Investments and other assets		
Investment securities	14,851	17,981
Long-term prepaid expenses	177	171
Deferred tax assets	3,564	2,655
Other	4,412	5,140
Allowance for doubtful accounts	(16)	(16)
Total investments and other assets	22,987	25,932
Total noncurrent assets	110,328	122,221
Total assets	212,998	217,782

(Millions of yen)

	Previous fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	37,401	35,973
Electronically recorded obligations	3,349	2,871
Short-term loans payable	23,334	21,171
Current portion of bonds	182	133
Current portion of long-term loans payable	8,791	11,050
Accounts payable-other	8,208	9,429
Accrued expenses	8,453	7,884
Lease obligations	119	414
Income taxes payable	504	877
Accrued consumption taxes	141	40
Other	779	250
Total current liabilities	91,261	90,093
Noncurrent liabilities		
Bonds payable	247	184
Long-term loans payable	38,173	38,228
Lease obligations	83	1,143
Provision for retirement benefits	9,540	8,289
Provision for directors' retirement benefits	128	153
Deferred tax liabilities	41	125
Provision for environment measures	172	176
Provision for restructuring	732	724
Other	1,442	1,369
Total noncurrent liabilities	50,559	50,390
Total liabilities	141,819	140,483
Net assets		
Shareholders' equity		
Capital stock	16,528	16,528
Capital surplus	35,184	35,184
Retained earnings	20,267	22,254
Treasury stock	(2)	(3)
Total shareholders' equity	71,978	73,964
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	180	240
Deferred gains or losses on hedges	(423)	25
Foreign currency translation adjustment	(1,151)	2,253
Total accumulated other comprehensive income	(1,394)	2,519
Minority interests	596	816
Total net assets	71,179	77,299
Total liabilities and net assets	212,998	217,782

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net sales	193,972	183,702
Cost of sales	171,318	161,233
Gross profit	22,654	22,469
Selling, general and administrative expenses	16,294	17,130
Operating income	6,360	5,339
Non-operating income		
Equity in earnings of affiliates	834	1,307
Rental income	126	131
Other	392	468
Total non-operating income	1,352	1,906
Non-operating expenses		
Interest expenses	1,091	1,021
Compensation expenses	132	179
Depreciation on disused noncurrent assets	—	170
Other	77	57
Total non-operating expenses	1,301	1,427
Ordinary income	6,411	5,819
Extraordinary income		
Gain on sales of noncurrent assets	10	12
Gain on sales of investment securities	125	—
Subsidy income	23	—
Other	0	—
Total extraordinary income	159	12
Extraordinary loss		
Loss on valuation of inventories	—	47
Loss on valuation of capital	—	63
Loss on retirement of noncurrent assets	138	90
Loss on valuation of investment securities	179	—
Impairment loss	76	32
Other	50	26
Total extraordinary losses	442	257
Income before income taxes and minority interests	6,128	5,573
Income taxes-current	1,160	1,339
Income taxes-deferred	1,323	917
Total income taxes	2,482	2,256
Income before minority interests	3,646	3,317
Income of minority shareholders	105	171
Net income	3,540	3,146

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Income before minority interests	3,646	3,317
Other comprehensive income		
Valuation difference on available-for-sale securities	(13)	60
Deferred gains (losses) on hedges	(487)	335
Foreign currency translation adjustment	(208)	1,143
Share of other comprehensive income of associates accounted for using equity method	(76)	2,550
Total other comprehensive income	(784)	4,087
Comprehensive income	2,861	7,405
(Attributable to)		
Parent company shareholders	2,779	7,165
Minority interests	82	239

(3) Consolidated Statements of Changes in Shareholders' Equity

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of period	16,528	16,528
Balance at the end of period	16,528	16,528
Capital surplus		
Balance at the beginning of period	35,184	35,184
Balance at the end of period	35,184	35,184
Retained earnings		
Balance at the beginning of period	18,284	20,267
Changes of items during the period		
Dividends from surplus	(1,363)	(1,363)
Net income	3,540	3,146
Changes in the scope of consolidation	(195)	203
Total changes of items during the period	1,983	1,987
Balance at the end of period	20,267	22,254
Treasury stock		
Balance at the beginning of period	(2)	(2)
Changes of items during the period		
Purchase of treasury stock	—	(0)
Total changes of items during the period	—	(0)
Balance at the end of period	(2)	(3)
Total shareholders' equity		
Balance at the beginning of period	69,995	71,978
Changes of items during the period		
Dividends from surplus	(1,363)	(1,363)
Net income	3,540	3,146
Purchase of treasury stock	—	(0)
Changes in the scope of consolidation	(195)	203
Total changes of items during the period	1,983	1,987
Balance at the end of period	71,978	73,964
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of period	193	180
Changes of items during the period		
Net changes of items other than shareholders' equity	(13)	60
Total changes of items during the period	(13)	60
Balance at the end of period	180	240
Deferred gains or losses on hedges		
Balance at the beginning of period	157	(423)
Changes of items during the period		
Net changes of items other than shareholders' equity	(579)	448
Total changes of items during the period	(579)	448
Balance at the end of period	(423)	25

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Foreign currency translation adjustment		
Balance at the beginning of period	(982)	(1,151)
Changes of items during the period		
Net changes of items other than shareholders' equity	(169)	3,405
Total changes of items during the period	(169)	3,405
Balance at the end of period	(1,151)	2,253
Other total accumulated comprehensive income		
Balance at the beginning of period	(633)	(1,394)
Changes of items during the period		
Net changes of items other than shareholders' equity	(761)	3,913
Total changes of items during the period	(761)	3,913
Balance at the end of period	(1,394)	2,519
Minority interests		
Balance at the beginning of period	546	596
Changes of items during the period		
Net changes of items other than shareholders' equity	50	220
Total changes of items during the period	50	220
Balance at the end of period	596	816
Total net assets		
Balance at the beginning of period	69,907	71,179
Changes of items during the period		
Dividends from surplus	(1,363)	(1,363)
Net income	3,540	3,146
Purchase of treasury stock	—	(0)
Changes in the scope of consolidation	(195)	203
Net changes of items other than shareholders' equity	(712)	4,133
Total changes of items during the period	1,272	6,120
Balance at the end of period	71,179	77,299

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	6,128	5,573
Depreciation and amortization	12,370	10,866
Impairment loss	76	32
Interest and dividends income	(111)	(131)
Interest expenses	1,091	1,021
Foreign exchange loss (gain)	(31)	(44)
Loss on removal of tangible fixed assets	138	90
Loss (gain) on valuation of investment securities	179	63
Decrease (increase) in notes and accounts receivable-trade	1,033	3,518
Decrease (increase) in inventories	2,833	(808)
Increase (decrease) in notes and accounts payable-trade	(1,239)	(2,197)
Increase (decrease) in provision for retirement benefits	(1,407)	(1,252)
Increase (decrease) in accrued expenses	422	(557)
Other, net	(1,248)	(1,693)
Subtotal	20,233	14,481
Interest and dividends income received	215	240
Interest expenses paid	(1,087)	(1,011)
Income taxes (paid) / refunded	(1,751)	(944)
Net cash provided by (used in) operating activities	17,609	12,766
Net cash provided by (used in) investing activities		
Decrease (increase) in short-term loans receivable	(2,500)	1,501
Purchase of property, plant and equipment	(4,872)	(16,003)
Purchase of intangible assets	(328)	(902)
Purchase of investment securities	(10,415)	(14)
Purchase of stocks of subsidiaries	(2,623)	—
Investments in capital of subsidiaries and affiliates	(189)	(276)
Other, net	(157)	497
Net cash provided by (used in) investing activities	(21,083)	(15,198)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(4,038)	(2,290)
Proceeds from long-term loans payable	1,250	10,940
Repayment of long-term loans payable	(3,294)	(8,949)
Proceeds from issuance of bonds	270	70
Redemption of bonds	(297)	(182)
Cash dividends paid	(1,363)	(1,363)
Cash dividends paid to minority shareholders	(32)	(30)
Sale-and-leaseback revenues	—	1,507
Other	(22)	(154)

(Millions of yen)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net cash provided by (used in) financing activities	(7,526)	(451)
Effect of exchange rate change on cash and cash equivalents	(29)	512
Net increase (decrease) in cash and cash equivalents	(11,029)	(2,371)
Cash and cash equivalents at beginning of period	20,115	11,339
Net increase (decrease) in cash and cash equivalents due to changes in scope of consolidation	2,253	54
Cash and cash equivalents at end of period	11,339	9,023

(5) Notes to the Consolidated Financial Statements

(Notes on the Assumption of a Going Concern)

None

(Changes in accounting policies that are difficult to differentiate from changes in accounting estimates)

Due to changes in the tax code, from the fiscal year under review, for certain domestic subsidiaries the depreciation method applied to property, plant and equipment acquired on or after April 1, 2012, has been changed in line with the revised corporate tax code.

The effect on profits is slight.

(Segment Information)

Overview of reportable segments

The Company's reportable segments are those elements of the Company for which separate financial information is available, and which the Board of Directors regularly examines to determine distribution of management resources and assess performance.

The Company formulates a comprehensive domestic and overseas strategy, with two reportable segments, "Rolled" and "Processed products," as the elements comprising its business activities. However, as the characteristics of the rolled aluminum products we supply and the markets and industries in which we provide them are generally similar, we have combined these into a single reportable segment, the "Rolled Aluminum Products Business." Consequently, the reporting of information for other segments is omitted.

"Rolled" refers to the manufacture and sale of rolled aluminum sheet, foil, extruded products, cast products and forged products. "Processed products" refers to the processing and sale of rolled sheet and extruded products mainly composed of aluminum.

(Per-Share Information)

	Previous fiscal year (From April 1, 2011 to March 31, 2012)		Current fiscal year (From April 1, 2012 to March 31, 2013)
Net assets per share	310.82 JPY	Net assets per share	336.80 JPY
Net income per share	15.59 JPY	Net income per share	13.85 JPY

Note: Fully diluted net income per share is omitted, as there are no potentially dilutive shares.

Net assets per share

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Total net assets (¥ millions)	71,179	77,299

Amount deducted from total net assets (¥ millions)	596	816
(of which, minority interest) (¥ millions)	(596)	(816)
End of period net assets ascribed to common stock (¥ millions)	70,583	76,483
Number of shares of common stock at end of period (thousands)	227,088	227,087

Net income per share

	Previous fiscal year (From April 1, 2011 to March 31, 2012)	Current fiscal year (From April 1, 2012 to March 31, 2013)
Net income per share		
Net income (Millions of yen)	3,540	3,146
Amount not attributable to holders of common stock (Millions of yen)	—	—
Net income ascribed to common stock (Millions of yen)	3,540	3,146
Average number of shares of common stock during the period (Thousands of shares)	227,088	227,087

(Subsequent Events)

On April 26, 2013, Furukawa-Sky and Sumitomo Light Metal Industries, Ltd., entered into a final agreement to undergo business integration in the spirit of a relationship based on equality, with October 1, 2013 (expected) as the effective date, and we have entered into a final agreement on this basis. Further information is contained on page 7, under “2. Execution of Business Integration” in “3. Management Policy, (2) Medium-Term Corporate Management Strategies and Pending Issues.”