



November 11, 2013

**Summary of Consolidated Financial Results for the Second Quarter
of Fiscal Year Ending March 31, 2014
(Six Months Ended September 30, 2013)**

[Japanese GAAP]

Company name: ALCONIX CORPORATION

Listing: Tokyo Stock Exchange, First Section

Stock code: 3036

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Scheduled date of filing of Quarterly Report: November 13, 2013

Scheduled date of payment of dividend: November 29, 2013

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

Note: The original disclosure in Japanese was released on November 11, 2013 at 12:30 (GMT +9).

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Second Quarter Ended September 30, 2013
(April 1, 2013 – September 30, 2013)**

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30, 2013	88,939	0.5	1,877	9.1	1,799	(10.7)	1,800	77.3
Six months ended Sep. 30, 2012	88,529	(19.8)	1,721	(45.5)	2,015	(42.3)	1,015	(48.3)

Note: Comprehensive income (million yen): Six months ended Sep. 30, 2013: 3,963 (up 322.5%)
Six months ended Sep. 30, 2012: 938 (down 46.3%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2013	283.20	282.34
Six months ended Sep. 30, 2012	159.78	159.14

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2013	80,484	19,295	23.4
As of Mar. 31, 2013	70,382	15,818	21.8

Reference: Shareholders' equity (million yen) As of Sep. 30, 2013: 18,799 As of Mar. 31, 2013: 15,347

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2013	-	30.00	-	30.00	60.00
Fiscal year ending Mar. 31, 2014	-	30.00	-	-	-
Fiscal year ending Mar. 31, 2014 (forecast)	-	-	-	30.00	60.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2014 (April 1, 2013 – March 31, 2014)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	180,000	9.2	3,300	0.4	3,300	14.1	2,700	88.7	424.78

Note: Revisions to the most recently announced consolidated earnings forecasts: None

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

Note: Please refer to "2. Matters Related to Summary Information (Notes), (2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements" on page 6 of the attachments for further information.

(3) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others: None
- 2) Changes in accounting policies other than 1) above: None
- 3) Changes in accounting-based estimates: None
- 4) Restatements: None

(4) Number of outstanding shares (common stock)

1) Number of shares outstanding at the end of period (including treasury stock)			
As of Sep. 30, 2013:	6,356,400 shares	As of Mar. 31, 2013:	6,355,200 shares
2) Number of treasury stock shares at the end of period			
As of Sep. 30, 2013:	114 shares	As of Mar. 31, 2013:	114 shares
3) Average number of shares outstanding during the period			
Six months ended Sep. 30, 2013:	6,355,984 shares	Six months ended Sep. 30, 2012:	6,353,107 shares

* Information regarding the implementation of quarterly review procedures

The current quarterly summary report is exempted from quarterly review procedures based on the Financial Instruments and Exchange Act. At the time of disclosure, the review procedures for the quarterly financial statements have not been completed.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements" on page 5 of the attachments for assumptions for forecasts and notes of caution for usage.

Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements	5
2. Matters Related to Summary Information (Notes)	6
(1) Changes in Significant Subsidiaries during the Period	6
(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements	6
(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements	6
3. Quarterly Consolidated Financial Statements	7
(1) Quarterly Consolidated Balance Sheets	7
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	9
Quarterly Consolidated Statements of Income	
For the Six-month Period	9
Quarterly Consolidated Statements of Comprehensive Income	
For the Six-month Period	10
(3) Quarterly Consolidated Statements of Cash Flows	11
(4) Notes to Quarterly Consolidated Financial Statements	13
Going Concern Assumption	13
Significant Changes in Shareholders' Equity	13
Segment and Other Information	13

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

In the first half of the current fiscal year, housing starts and personal consumption in the US gradually recovered due to support from continued monetary easing, and the European economy moved out of recession to positive growth. Although the Chinese economy and economies in emerging nations showed signs of bottoming out due to the pick up of the US and European economies, they remained weak with no full-scale recovery evident.

The Japanese economy continued to gradually recover supported by a steady rebound in exports, particularly of automobiles, on the benefits from yen's depreciation, and an increase in public works investment and residential investment.

In the non-ferrous metals industry in which the ALCONIX Group operates, demand from hybrid vehicles, smartphones, and tablet PCs was strong, but remained weak from PC and other IT equipment, as well as from LCD TVs and other consumer electronics.

In this economic environment, the Group saw a year-on-year increase in sales of recycled aluminum ingots for auto parts, copper products, and copper tubes and aluminum products for air-conditioners, but a decline in sales of titanium and nickel product exports. In the field of minor metals and rare earths, sales of tungsten increased due to the recovery in the auto industry, while sales of rare earths dropped particularly sharply year on year due to the impact of slumping market prices and ongoing inventory corrections at major customers. As for profits, rare earth profits dropped sharply. However, consolidated earnings were benefited from two domestic consolidated subsidiaries and a US-based plating manufacturing subsidiary, which began to contribute from the first quarter of the current fiscal year. Also, the booking of gain on bargain purchase as extraordinary income following the acquisition of stocks in domestic consolidated subsidiaries and the acquisition of business drove a sharp rise in net income.

For the first half of the current fiscal year, ALCONIX reported consolidated net sales of 88,939 million yen (up 0.5% year on year), operating income of 1,877 million yen (up 9.1%), ordinary income of 1,799 million yen (down 10.7%) and net income of 1,800 million yen (up 77.3%).

Results by business segment in the first half of the current fiscal year were as follows. (Sales in each segment include inter-segment sales).

- Light metals and copper products

In the light metals and copper products segment, sales of auto, motorcycle and semiconductor materials were firm in Japan as the government's economic stimulus measures bolstered corporate sentiment and weakened the yen. Shipments of copper tubes and aluminum fins for heat exchange materials were strong as the summer heat wave boosted demand for air-conditioning equipment. Also, profits rose sharply due to contributions from a domestic manufacturing company that was made a subsidiary in the first quarter.

As a result, the segment recorded sales of 36,772 million yen (up 15.0% year on year) and segment profit of 764 million yen (up 70.4%).

- Electronic and advanced materials

In the electronic and advanced materials segment, sales of solar cell materials were solid, and exports of copper products and environmental related products grew to North America on the back of the recovering US economy and the yen's depreciation. Exports of titanium and nickel products for power plants in China showed signs of recovery due to shipments of the remaining order balance, and the restart of suspended projects, but exports to Europe dropped sharply due to slumping demand. Sales of materials for smartphones and tablet PCs, a fast-growing market, declined year on year related to trends in sales of end products, and model changes.

In the field of minor metals and rare earths, sales of tungsten increased on the back of a recovery in the automotive industry, but sales and profits of rare earths declined sharply year on year, despite the ongoing recovery of demand

from automakers, due to inventory correction at materials producers. A US plating materials maker, which was made a consolidated subsidiary of ALCONIX in the previous fiscal year, contributed to consolidated earnings.

As a result, the segment recorded sales of 33,897 million yen (down 18.4% year on year) and segment profit of 912 million yen (down 35.6%).

- Non-ferrous materials

In the non-ferrous materials segment, the business environment was harsh as the yen's depreciation reduced the relative attractiveness of aluminum import alloys and competition intensified to secure copper scrap, but sales rose strongly due to rising aluminum and copper prices, and an increase in sales of aluminum scrap, metal silicon used in chemical products, deoxidizer materials used in steel mills, magnesium ingots used in light metal rolls, and zinc ingots. Together with contributions from a domestic non-ferrous metals recycling company that was made a consolidated subsidiary in the first quarter, sales and profits in the segment increased.

As a result, the segment recorded sales of 16,309 million yen (up 31.3% year on year) and segment profit of 86 million yen (up 39.5%).

- Construction and industrial materials

In the construction and industrial materials segment, public works investment and residential investment increased, but capital investment in the private sector remained weak despite the bottoming out. Although the yen's rapid depreciation has increased the prices of basic materials and raw materials, little progress has been made in working the higher materials prices into end product prices due to weak demand in the construction sector resulting from market contraction and delays in post-quake reconstruction and recovery. As a result, sales of construction materials and piping equipment remained weak in Japan. However, exports and sales of piping equipment and copper alloy materials to Southeast Asia were strong thanks to benefits from the yen's depreciation.

As a result, the segment recorded sales of 5,877 million yen (down 2.0% year on year) and segment profit of 96 million yen (up 25.0%).

(2) Explanation of Financial Position

1) Financial position

a. Current assets

At the end of the second quarter, current assets totaled 62,040 million yen, an increase of 6,684 million yen from the end of the previous fiscal year. The main factors were a 4,398 million yen increase in notes and accounts receivable-trade, a 2,237 million yen increase in inventories, and a 386 million yen increase in cash and deposits.

b. Noncurrent assets

Noncurrent assets totaled 18,444 million yen, an increase of 3,416 million yen. The main factors were an increase in property, plant and equipment of 2,130 million yen from two domestic consolidated subsidiaries which became consolidated subsidiaries in the first quarter of the current fiscal year; an increase in intangible assets of 473 million yen at overseas consolidated subsidiaries as the yen's depreciation increased foreign exchange gains; and an increase in investments and other assets of 813 million yen from the evaluation of listed stock at market value.

c. Current liabilities

Current liabilities totaled 45,620 million yen, an increase of 5,523 million yen. The main factors were a 2,037 million yen increase in notes and accounts payable-trade, a 1,254 million yen increase in short-term loans payable, a 931 million yen increase in current portion of long-term loans payable, and an 818 million yen increase in income taxes payable.

d. Noncurrent liabilities

Noncurrent liabilities totaled 15,568 million yen, an increase of 1,101 million yen. The main factors were an 867 million yen increase in long-term loans payable, a 300 million yen decrease in bonds payable following the transfer of the category to current liabilities, and a 136 million yen increase in deferred tax liabilities.

e. Net assets

Net assets totaled 19,295 million yen, an increase of 3,477 million yen. The main factors were a 1,572 million yen increase in retained earnings, a 1,553 million yen increase in foreign currency translation adjustment, and a 309 million yen increase in valuation difference on available-for-sale securities due to the evaluation of listed stock at market value.

2) Results of operations

a. Net sales

The main products that saw an increase in sales were recycled aluminum ingots and aluminum scrap for auto parts, copper scrap for copper refining, copper products including copper tube due to greater demand for energy-efficient air-conditioners propelled by the hot summer, and exports of aluminum products. The main products that saw a decline in sales were exports of titanium and nickel products to Europe, nickel powder used in secondary battery materials for automotive equipment and consumer electronics. As for minor metals and rare earths, sales of tungsten and light rare earth elements increased year on year due to the recovery in the auto industry benefiting from yen's depreciation, while sales of heavy rare earth elements were weak due to the impact of slumping market prices and ongoing inventory corrections at major customers. However, sales were at the same level as the same period previous fiscal year, thanks to the contribution to consolidated earnings by the consolidated subsidiaries which began to contribute from the first quarter of the current fiscal year. As a result, net sales increased 0.5% year on year to 88,939 million yen in the first half of the current fiscal year.

b. Gross profit

Sales of minor metals and rare earths declined sharply year on year, but sales of copper product exports increased benefiting from the yen's depreciation, and new consolidated subsidiaries contributed from the first quarter of the current fiscal year. As a result, gross profits increased 21.9% to 5,510 million yen.

c. Selling, general and administrative expenses

Selling, general and administrative expenses rose 29.8% to 3,632 million yen due to the booking of expenses for consolidated subsidiaries which began to contribute from the first quarter of the current fiscal year.

d. Operating income

Based on the above results, operating income increased 9.1% to 1,877 million yen.

e. Non-operating income, non-operating expenses

Net non-operating income was -78 million yen (compared with 294 million yen in the same period of the previous fiscal year), due to foreign exchange losses related to foreign currency-denominated transactions, following the yen's depreciation. The above foreign exchange loss is inversely correlated to the significant increase in gross profit against the backdrop of a weaker yen.

f. Ordinary income

Based on the above results, ordinary income fell 10.7% to 1,799 million yen.

g. Extraordinary income, extraordinary loss

ALCONIX booked gain on bargain purchase of 839 million yen as an extraordinary income following the acquisition of stocks in domestic consolidated subsidiaries which became consolidated subsidiaries in the first quarter of the current fiscal year, and the acquisition of business. It booked loss on valuation of investment securities of 47 million yen as an extraordinary loss following the impairment of stockholdings.

h. Net income

ALCONIX recorded income before income taxes and minority interests of 2,594 million yen. From this amount, 759 million yen was deducted for income taxes and 34 million yen was subtracted for minority interests in income from four consolidated subsidiaries. As a result, net income increased 77.3% to 1,800 million yen.

3) Cash flows

Cash and cash equivalents at the end of the second quarter of the current fiscal year increased 11 million yen from the end of the previous fiscal year to 11,054 million yen (compared with 9,297 million yen in the same period of the previous fiscal year).

The main changes in cash flow from operating, investing, and financing activities are described as below.

a. Cash flows from operating activities

Net cash used in operating activities was 635 million yen (compared with 9 million yen provided in the same period of the previous fiscal year). Main positive factors include income before income taxes and minority interests of 2,594 million yen, the 1,419 million yen increase in notes and accounts payable-trade, and the 169 million yen increase in advance payments. Meanwhile, major negative factors include the 3,284 million yen increase in notes and accounts receivable-trade, and the 1,115 million yen increase in inventories.

b. Cash flows from investing activities

Net cash used in investing activities was 1,744 million yen (compared with 1,583 million yen used in the same period of the previous fiscal year). Main negative factors include payments of 1,000 million yen for loans receivable, payments of 273 million yen for the purchase of property, plant and equipment due to capital expenditure at consolidated subsidiaries, payments of 720 million yen for the purchase of investments in subsidiaries resulting in change in scope of consolidation.

c. Cash flows from financing activities

Net cash provided by financing activities was 2,087 million yen (compared with 384 million yen provided in the same period of the previous fiscal year). Main positive factors include net increase in short-term loans payable of 951 million yen, and net increase in long-term loans payable of 1,743 million yen. Meanwhile, major negative factors include redemption of bonds of 300 million yen, and cash dividends paid of 198 million yen.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

ALCONIX currently maintains the full-year consolidated earnings forecasts that we disclosed in the press release “Revision of consolidated earnings forecasts” on October 22, 2013.

2. Matters Related to Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

Not applicable.

(2) Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements

- Calculation of tax expense

The tax expenses were calculated by first estimating the effective tax rate after the application of tax effect accounting with respect to income before income taxes and minority interests during the fiscal year, and multiplying that rate by the quarterly income before income taxes and minority interests. Income taxes-deferred were included and displayed with income taxes.

(3) Changes in Accounting Policies and Accounting-based Estimates, and Restatements

Not applicable.

3. Quarterly Consolidated Financial Statements**(1) Quarterly Consolidated Balance Sheets**

	(Millions of yen)	
	FY3/13 (As of Mar. 31, 2013)	Second quarter of FY3/14 (As of Sep. 30, 2013)
Assets		
Current assets		
Cash and deposits	11,082	11,469
Notes and accounts receivable-trade	30,055	34,453
Merchandise and finished goods	11,727	13,322
Work in process	388	1,109
Raw materials and supplies	321	242
Other	2,124	1,828
Allowance for doubtful accounts	(345)	(386)
Total current assets	55,355	62,040
Noncurrent assets		
Property, plant and equipment	3,940	6,071
Intangible assets		
Goodwill	2,528	2,746
Other	3,530	3,785
Total intangible assets	6,059	6,532
Investments and other assets	5,026	5,840
Total noncurrent assets	15,027	18,444
Total assets	70,382	80,484
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,243	25,281
Short-term loans payable	12,250	13,505
Current portion of long-term loans payable	1,978	2,909
Current portion of bonds	600	600
Income taxes payable	101	920
Provision for bonuses	406	460
Other	1,516	1,943
Total current liabilities	40,097	45,620
Noncurrent liabilities		
Bonds payable	1,800	1,500
Long-term loans payable	10,297	11,165
Provision for retirement benefits	271	291
Provision for directors' retirement benefits	166	186
Long-term accounts payable-other	73	154
Other	1,858	2,271
Total noncurrent liabilities	14,467	15,568
Total liabilities	54,564	61,189

	(Millions of yen)	
	FY3/13 (As of Mar. 31, 2013)	Second quarter of FY3/14 (As of Sep. 30, 2013)
Net assets		
Shareholders' equity		
Capital stock	2,832	2,833
Capital surplus	1,874	1,875
Retained earnings	10,226	11,798
Treasury stock	(0)	(0)
Total shareholders' equity	14,932	16,506
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	83	392
Deferred gains or losses on hedges	(36)	(19)
Foreign currency translation adjustment	367	1,920
Total accumulated other comprehensive income	414	2,293
Subscription rights to shares	42	39
Minority interests	427	455
Total net assets	15,818	19,295
Total liabilities and net assets	70,382	80,484

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statements of Income
(For the Six-month Period)**

(Millions of yen)

	First six months of FY3/13 (Apr. 1, 2012 – Sep. 30, 2012)	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)
Net sales	88,529	88,939
Cost of sales	84,011	83,428
Gross profit	4,518	5,510
Selling, general and administrative expenses	2,797	3,632
Operating income	1,721	1,877
Non-operating income		
Interest income	4	35
Purchase discounts	11	9
Dividends income	19	24
Foreign exchange gains	288	-
Equity in earnings of affiliates	99	91
Rent income of real estate	23	27
Other	36	64
Total non-operating income	483	253
Non-operating expenses		
Interest expenses	121	179
Sales discounts	5	5
Foreign exchange losses	-	77
Loss on sales of notes receivable-trade	28	17
Rent cost of real estate	6	17
Other	26	34
Total non-operating expenses	188	332
Ordinary income	2,015	1,799
Extraordinary income		
Gain on bargain purchase	-	839
Gain on reversal of subscription rights to shares	0	3
Other	0	4
Total extraordinary income	0	846
Extraordinary loss		
Loss on valuation of investment securities	270	25
Loss on liquidation of subsidiaries and affiliates	-	21
Other	16	4
Total extraordinary losses	287	51
Income before income taxes and minority interests	1,728	2,594
Income taxes	676	759
Income before minority interests	1,052	1,834
Minority interests in income	37	34
Net income	1,015	1,800

Quarterly Consolidated Statements of Comprehensive Income
(For the Six-month Period)

(Millions of yen)

	First six months of FY3/13 (Apr. 1, 2012 – Sep. 30, 2012)	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)
Income before minority interests	1,052	1,834
Other comprehensive income		
Valuation difference on available-for-sale securities	(142)	309
Deferred gains or losses on hedges	4	16
Foreign currency translation adjustment	(0)	1,527
Share of other comprehensive income of associates accounted for using equity method	23	274
Total other comprehensive income	(114)	2,128
Comprehensive income	938	3,963
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	900	3,919
Comprehensive income attributable to minority interests	37	43

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	First six months of FY3/13 (Apr. 1, 2012 – Sep. 30, 2012)	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	1,728	2,594
Depreciation and amortization	193	540
Amortization of goodwill	6	141
Gain on bargain purchase	-	(839)
Increase (decrease) in allowance for doubtful accounts	39	30
Increase (decrease) in provision for bonuses	8	12
Increase (decrease) in provision for retirement benefits	18	19
Increase (decrease) in provision for directors' retirement benefits	19	20
Interest and dividends income	(23)	(60)
Interest expenses	121	179
Loss (gain) on valuation of investment securities	270	25
Equity in (earnings) losses of affiliates	(99)	(91)
Decrease (increase) in notes and accounts receivable-trade	135	(3,284)
Decrease (increase) in inventories	3,648	(1,115)
Increase (decrease) in notes and accounts payable-trade	(3,906)	1,419
Decrease (increase) in consumption taxes refund receivable	(262)	38
Increase (decrease) in income taxes payable-the factor based tax	(0)	20
Decrease (increase) in advance payments	57	1
Decrease (increase) in accounts receivable-other	51	86
Increase (decrease) in accounts payable-other	31	(68)
Increase (decrease) in advances received	(239)	169
Other, net	(355)	(435)
Subtotal	1,443	(594)
Interest and dividends income received	23	126
Interest expenses paid	(122)	(173)
Income taxes paid	(1,335)	(370)
Income taxes refund	-	375
Net cash provided by (used in) operating activities	9	(635)
Net cash provided by (used in) investing activities		
Payments into time deposits	(24)	(12)
Proceeds from withdrawal of time deposits	57	162
Purchase of property, plant and equipment	(166)	(273)
Purchase of intangible assets	(60)	(61)
Purchase of investment securities	(1,488)	(108)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	(720)
Payments for transfer of business	-	(200)
Payments of loans receivable	(9)	(1,000)
Collection of loans receivable	13	34
Purchase of insurance funds	(7)	(6)
Proceeds from cancellation of insurance funds	0	363
Other, net	102	79
Net cash provided by (used in) investing activities	(1,583)	(1,744)

	(Millions of yen)	
	First six months of FY3/13 (Apr. 1, 2012 – Sep. 30, 2012)	First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	2,109	951
Proceeds from long-term loans payable	200	2,769
Repayment of long-term loans payable	(1,480)	(1,026)
Redemption of bonds	(200)	(300)
Proceeds from issuance of common stock	-	1
Cash dividends paid	(220)	(198)
Cash dividends paid to minority shareholders	(24)	(16)
Repayments of finance lease obligations	-	(136)
Other, net	(0)	42
Net cash provided by (used in) financing activities	384	2,087
Effect of exchange rate change on cash and cash equivalents	(15)	303
Net increase (decrease) in cash and cash equivalents	(1,204)	11
Cash and cash equivalents at beginning of period	10,502	11,042
Cash and cash equivalents at end of period	9,297	11,054

(4) Notes to Quarterly Consolidated Financial Statements**Going Concern Assumption**

Not applicable.

Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information

Segment information

I. First six months of FY3/13 (Apr. 1, 2012 – Sep. 30, 2012)

1. Information related to net sales and profit or loss for each reportable segment (Millions of yen)

	Reportable segment				Total
	Light metals and copper products	Electronic and advanced materials	Non-ferrous materials	Construction and industrial materials	
Net sales					
External sales	31,708	39,789	12,099	4,932	88,529
Inter-segment sales and transfers	254	1,740	320	1,064	3,379
Total	31,962	41,529	12,419	5,996	91,909
Segment profit	448	1,416	62	77	2,004

2. Reconciliation of quarterly consolidated statements of income with total profit or loss for reportable segments

(Millions of yen)

Profit	Amount
Total for reportable segments	2,004
Eliminations for inter-segment transactions	10
Ordinary income on the quarterly consolidated statements of income	2,015

3. Information related to impairment of noncurrent assets, goodwill, etc. for each reportable segment

Not applicable.

II. First six months of FY3/14 (Apr. 1, 2013 – Sep. 30, 2013)

1. Information related to net sales and profit or loss for each reportable segment (Millions of yen)

	Reportable segment				Total
	Light metals and copper products	Electronic and advanced materials	Non-ferrous materials	Construction and industrial materials	
Net sales					
External sales	36,495	32,191	15,884	4,366	88,939
Inter-segment sales and transfers	276	1,705	424	1,511	3,917
Total	36,772	33,897	16,309	5,877	92,856
Segment profit	764	912	86	96	1,859

2. Information related to assets for each reportable segment

In the first quarter of FY3/14, OHBA SEIKEN CO., LTD. was included in the scope of consolidation because all the shares of its stock were acquired by the Company. Accordingly, the effect of this change was to increase segment assets in the "Light metals and copper products" segment by 2,144 million yen at the end of the second quarter of FY3/14, compared with the end of FY3/13.

3. Reconciliation of quarterly consolidated statements of income with total profit or loss for reportable segments

(Millions of yen)

Profit	Amount
Total for reportable segments	1,859
Eliminations for inter-segment transactions	(60)
Ordinary income on the quarterly consolidated statements of income	1,799

4. Information related to impairment of noncurrent assets, goodwill, etc. for each reportable segment

Significant gain on bargain purchase

In the “Light metals and copper products” segment, OHBA SEIKEN CO., LTD. was included in the scope of consolidation because all the shares of its stock were acquired by the Company. Accordingly, gain on bargain purchase of 785 million yen was recorded in the first six months of FY3/14.

In the “Non-ferrous materials” segment, the Company acquired the operations of the Osaka Aluminum Center from ALUMINUM RECYCLE CORPORATION. Accordingly, gain on bargain purchase of 53 million yen was recorded in the first six months of FY3/14.

This financial report is solely a translation of content extracted from the Company's Kessan Tanshin (including attachments) in Japanese, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.