EXHIBIT 6-12

ANNUAL REPORT 2015

For the year ended March 31, 2015

PUBLIC
MARUICHI STEEL TUBE LTD.

00521

Profile

Since its establishment in 1947, Maruichi Steel Tube Ltd. has concentrated on accumulating industry-leading technological expertise as a specialist in steel tube production. The Company's progress has been underpinned by R&D focused on enhancing this core competence.

Maruichi Steel Tube's network in Japan provides nationwide coverage, including affiliated companies, and manufacturing plants and logistics centers operating in close proximity based on a business model emphasizing demand-driven production systems. Overseas, the Company has been developing a global business by establishing manufacturing companies in the United States, Mexico, Indonesia, China, Vietnam and India. Additionally, through persistent efforts to increase the efficiency of manufacturing and logistics, the Company is sharpening the cost competitiveness of products.

Convinced that fulfillment of corporate social responsibility is both a duty and a vital ingredient of business success, Maruichi Steel Tube has put in place corporate governance systems based on the Companies Act. Also, the Company is strengthening its internal control in view of the Financial Instruments and Exchange Act, Japan's version of the U.S. Sarbanes-Oxley Act (SOX), which accords the prime importance to internal control of financial reporting and is applicable to accounting periods started from April 2008 onward.

Maruichi Steel Tube's shares, listed on the first sections of the Tokyo Stock Exchange, have been included in the Nikkei 500 Average since April 2001, underlining the Company's importance.

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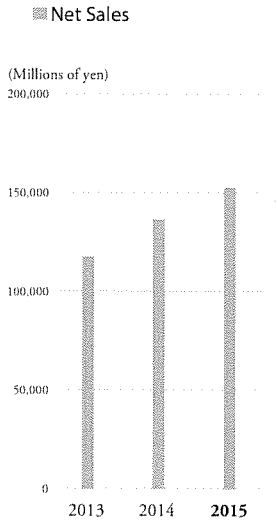
Disclaimer Regarding Forward-Looking Statements
Plans, strategies and other forward-looking statements about corporate performance published in this report are not based on information concerning events in the past, but are projections based on assumptions and convictions of company executives in light of currently available information. It should be noted that risks and uncertainties are associated with any forward-looking statements included in this report.

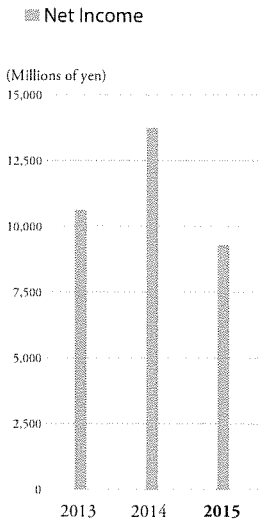
Consolidated Financial Highlights

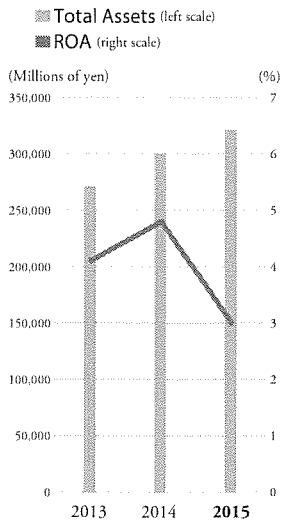
Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
Years ended March 31

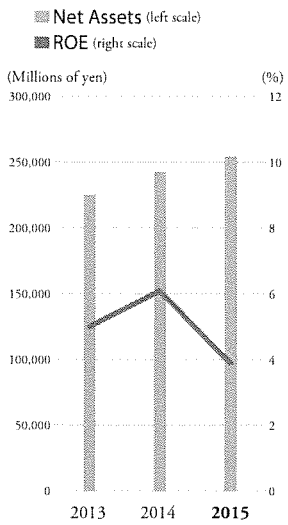
	Millions of yen			Thousands of U.S. dollars (Note)
	2013	2014	**2015**	**2015**
For the year:				
Net sales	¥117,688	¥136,548	**¥152,668**	**$1,270,435**
Operating income	15,413	20,080	**17,734**	**147,578**
Income before income taxes and minority interests	18,496	22,274	**15,331**	**127,578**
Net income	10,618	13,748	**9,300**	**77,390**
At year-end:				
Total assets	¥271,236	¥300,482	**¥321,452**	**$2,674,978**
Net assets	225,257	242,520	**254,374**	**2,116,789**
Per share (Yen/U.S. dollars):				
Net income	¥ 125.00	¥ 162.25	**¥ 109.76**	**$ 0.91**
Net assets	2,556.39	2,742.10	**2,875.53**	**23.93**
Ratio (%):				
Return on assets (ROA)	4.1	4.8	**3.0**	
Return on equity (ROE)	5.0	6.1	**3.9**	

Note: U.S. dollar amounts have been converted for convenience only at the rate of ¥000.00=US$1, the rate of exchange on March 31, 2015.









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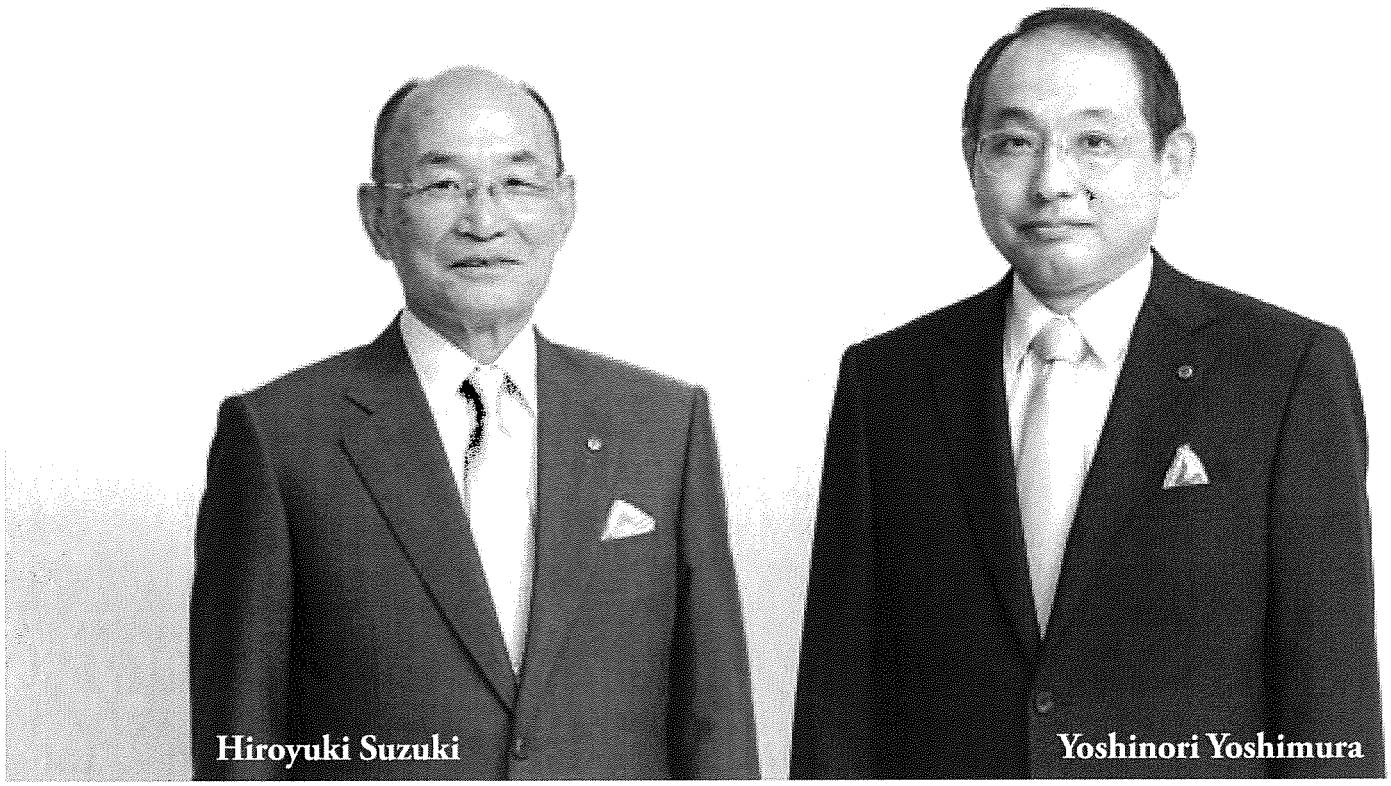

Hiroyuki Suzuki
Representative Director,
Chairman & CEO

Yoshinori Yoshimura
Representative Director,
President & COO

As a leading steel tube company, we will accelerate expansion of our business areas, especially at overseas.

00524

The Maruichi Steel Tube Group has grown into a corporate organization considered by both shareholders and business associates to be an excellent corporation.

This was realized through the synergistic effects such as (1) independent and self-driven business, (2) a positive financial base, (3) demand driven production system, and (4) increase of value-added products.

Maruichi Steel Tube believes that its mission is to continuously developing these characteristics.

It is expected that the environment surrounding the steel industry will continue to grow harsh in the future due to the severe economic climate, but the company must resiliently grow and develop in spite of this situation. In order to quickly resolve these difficulties and make further leaps, the company will:

(1) Aggressively respond to more sophisticated and diverse customer needs
(2) Create new demand for steel tubes by introducing new and unique Maruichi Steel Tube products
(3) Realize the Group's growth and expansion by developing overseas businesses
(4) Further improve shareholder value by continually improving business results.

Maruichi Steel Tube intends to do its absolute best to live up to shareholder expectations.

The company is also keenly aware that it must work towards the following priority goals on a daily basis.

(1) Sales promotion, new product development, improvement of research and technical abilities
(2) Increasing competitiveness by further reducing costs
(3) Achieving a high standard quality level that will satisfy customers
(4) Enacting our environmental management system (ISO14001)
(5) Improving each individual employee's abilities and setting challenging goals
(6) Eliminating injuries and accidents

Maruichi Steel Tube will aim to become an even stronger company by diligently answering these challenges daily.

The company sincerely asks everyone to continue giving their support, their advice and their cooperation.

Review of Operations

In the fiscal year ended March 2015 (FY2015), the Japanese economy witnessed a recovery in corporate earnings and improvement of the employment situation against the backdrop of government economic policies, depreciation of the yen, and the decline in crude oil prices. Although the economy remained on a trend of gradual recovery, personal consumption was weak due to the impact of rising prices caused by depreciation of the yen and an increase of the consumption tax rate. On the other hand, the outlook for the global economy continued to be uncertain due to concerns over deflation in European economies and the slowdown in China's economic growth in Asia, despite the strong business performance of companies and personal consumption of the U.S. economy.

In the domestic steel manufacturing industry, due to the impact of the downturn in reaction to the increase of consumption tax rate, demand from automobile manufacturers and demand for products used in construction were sluggish. As a result, crude steel output in FY2015 declined to 109.85 million tons (decreased by 1.5% from the previous fiscal year).

JAPAN

Turning to the Maruichi Group's business in Japan, due to the impact of the increase of consumption tax rate, demand for steel tubes for construction and civil engineering and demand from automobile manufacturers were sluggish, which account for a large portion of the Group's earnings, and demand for steel tubes used in automobiles also slowed down. Therefore, annual sales volume increased slightly from the previous fiscal year. In terms of pipe product prices, we have made efforts to raise prices by shifting the increased costs of raw materials stemming from the increase in the price of coils onto our product prices, but material costs have remained high. As a result of the above, the Group's business in Japan had net sales of ¥100,172 million and segment profit of ¥17,906 million.

NORTH AMERICA

Turning to the Group's business in North America, we have newly consolidated MARUICHIMEX S.A. de C.V. (Maruichimex), which produces steel tubes for automobiles in Mexico, and acquired Evraz Oregon Steel's structural tube division through

Maruichi Oregon Steel Tube, LLC (MOST), also adding MOST to our scope of consolidation at the end of the fiscal year. Net sales rose to ¥21,684 million, due to an increase in sales volume at Maruichi Leavitt Pipe & Tube, LLC (Leavitt), but segment loss totaled ¥223 million due to a delay in the operation of API equipment.

ASIA

Turning to the Group's business in Asia, net sales increased to ¥30,812 million due to increased sales volume resulting from the operation of new facilities at Maruichi Sun Steel Joint Stock Company (SUNSCO) in Vietnam. However, due to market decline caused by intensified price competition for steel products in China and Southeast Asia, and the increased cost burden including amortization expenses, segment loss of ¥46 million was recorded.

With regard to the Group production facilities, we have been coping with increased electricity prices by starting to sell electric power from the additional solar power generating equipment in the Sakai Plant from July of last year, additional solar power generating equipment in the Tokyo Plant and solar power generating equipment in the Sakai Pole Plant from August of last year, and solar power generating equipment in the Nagoya Plant and the Tomakomai Plant from February of this year.

Meanwhile, overseas, we established Alphametal Mexico S.A. de C.V. (Alphamex) conducting steel tube processing business for automotive parts manufacturers, which commenced production in August of last year. In addition, we completed construction and commenced operation of Bangalore Plant of Maruichi Kuma Steel Tube Private Limited (KUMA) in India in February of this year, and Maruichimex's No. 2 Plant in Mexico in March of this year. Furthermore, Maruichimex acquired land in an industrial park in Queretaro State in January of this year.

As mentioned above, consolidated net sales in FY2015 increased by 11.8% from the previous fiscal year to ¥152,668 million, consolidated operating income decreased by 11.7% from the previous fiscal year to ¥17,734 million, consolidated ordinary income decreased by 11.8% from the previous fiscal year to ¥19,919 million, and consolidated net income decreased by 32.4% from the previous fiscal year to ¥9,300 million.

Business Strategy

Looking into the future, the Japanese economy is expected to recover gradually due to positive sentiments toward investment by companies, improvement of the employment environment and income situation and positive effects on corporations and household budgets from decrease of crude oil prices, backed by factors including the government's economic policies. However, economic trends both inside and outside Japan is expected to remain uncertain due to concern over slowdown of growth in China and other emerging economies, despite the fact that the strong American economy is leading the global economy.

JAPAN

With regard to domestic business operations, while the market of steel materials is currently unsatisfactory due to uncertainties of the economic outlook, the demand for steel tubes for construction and civil engineering and the demand for steel tubes for users driven by depreciation of the yen are expected to improve from autumn. Meanwhile, we are working toward the recovery of the spread, which has been tightened from last year due to the persistently high price of coils. In terms of production, we will continue to focus on cost reduction through efforts such as improvement of productivity and efficiency by integrating the Osaka Plant into the Sakai Plant and updating equipment in domestic plants.

NORTH AMERICA

Turning to the Group's business in North America, although prices of steel materials market have continued to decline from the beginning of the year to date, Leavitt will work to respond to demand for products for construction, automobiles and energy field by utilizing enhanced equipment to maximum effect, and strive to expand sales and improve profitability by enhancing its sales force for users. Meanwhile, in the northwest of the United States, we will strive to get MOST, which acquired steel tube business division in the northwest, on track early and develop our supply system in the region, to achieve sales expansion in the northwest of the United States and the west of Canada. In Mexico, through the enhanced production capacity of Maruichimex thanks to the No. 2 Plant whose construction has been completed, Maruichimex will proactively respond to demand for

steel tubes for automobiles, which is expected to continue to rise in the future. In addition, it will strive to expand supply in cooperation with Alphamex which engages in processing automobile pipes.

ASIA

Turning to the Group's business in Asia, SUNSCO in Vietnam will expand its share of and set prices commensurate with cost for high quality products produced with its new facilities such as 16-inch mill with large investments completed, CGL No. 2, CCL No. 2, 2-inch and 4-inch mill for small-diameter steel tubes, by strengthening sales force in Vietnam and neighboring countries. In addition, it will enhance sales of API products in the United States and other markets and strive to improve profitability of exports. KUMA in India will strive to continue to maintain a high market share, now that it has strengthened its supply system of stainless steel tube with the completion of its Bangalore Plant in southern India.

Increasing Shareholder Value

Maruichi Steel Tube has been fully aware of the importance of dividends to shareholders and heretofore has been distributing fixed and stable dividends from profits. We have decided to pay performance-based dividends, based specifically on "issuing an annual dividend equivalent to 50% of the expected net income for the fiscal year, which is assumed to be 64.6% of the ordinary income indicated in nonconsolidated statements of income, and maintaining an annual payout of at least 50 yen to ensure dividends are stable at previous levels." In addition, we designate March 31 as the date-of-record for year-end dividend distribution and September 30 as the date-of-record for interim dividend distribution while a record date could be established as needed and surplus dividends paid. We also implement a shareholder special benefit plan in gratitude for the ongoing support of our shareholders. We have held annual plant tours for individual shareholders since 2008, which will be held in Kansai area this year as well.

If the Maruichi Group is to achieve further business growth as an independent specialized steel tube maker, it is essential that it enhances its competitiveness by improving productivity and efficiency, and by making strategic investments that expand business operations. In order to do so, the Group constantly re-examines, upgrades, and expands its production facilities, and has systematically made active investments directed at honing its competitive edge. We believe that securing internal reserves in preparation for pursuing strategic businesses is critical to ensuring a constant increase in value for our shareholders.

In FY2015, Maruichi Steel paid an interim dividend of ¥25.00 per share. The company's Board of Directors meeting on May 12, 2015 resolved to pay an annual dividend of ¥71.50 per share, including a term-end dividend of ¥46.50. As to the basic policy regarding profit-sharing for FY2016, at the Board of Directors meeting held on May 12, 2015, we decided on and announced a policy change from "issuing an annual dividend equivalent to 50% of the expected net income for the fiscal year, which is assumed to be 64.6% of the ordinary income indicated in nonconsolidated statements of income" to "67.2% of the ordinary income indicated in nonconsolidated statements of income." The company plans to make payout for FY2016 in accordance with this policy.

We look forward to continued support and guidance of our shareholders.

June 2015

Hiroyuki Suzuki
Representative Director,
Chairman & CEO

Yoshinori Yoshimura
Representative Director,
President & COO

Medium-Term Management Plan

The Company launched the fourth medium-term management plan in April this year in order to overcome this tough business environment and continue to grow by assertively making necessary investments primarily overseas for future growth while continuously sustaining high profitability in Japan.

1. Consolidated Management Targets: Results of 3rd Medium-Term Management Plan and Targets of 4th Medium-Term Management Plan

(Billions of yen)

3rd Medium-Term Management Plan	FY2013 Results	FY2014 Results	FY2015 Results	FY2015 Targets
Net sales (foreign net sales ratio)	117.6 (25.0%)	136.5 (29.4%)	152.7 (34.4%)	160.0 (35.0%)
Operating income (foreign operating income ratio)	15.4 (0.6%)	20.1 (4.9%)	17.7 (–%)	20.0 (20.0%)
Ordinary income	17.5	22.6	19.9	22.0
Net income	10.6	13.7	9.3	12.0

(Billions of yen)

4th Medium-Term Management Plan	Targets of FY2018
Net sales	185.0
Operating income	22.5
Operating margin	12%
ROE	6.5% or more
Shareholder return ratio (3-year average)	70% or more
Return of profits to society	Approximately 0.5% of nonconsolidated net income after the payout of dividends

*For details of the fourth medium-term management plan, please refer to the press releases dated March 23, 2015 posted on our website.
http://www.maruichikokan.co.jp/english/

2. Results of the main initiatives implemented under the 3rd Medium-Term Management Plan

1) Promotion of further streamlining of domestic businesses

•Restructuring of domestic production system: Completion of the process to consolidate the former Tokyo Plant into the new Tokyo Plant
•Strengthening of domestic sales system: Aggressive efforts to meet reconstruction demand in Tohoku area
•Development in new fields: Installation of solar power generation equipment at each domestic plant including the mega solar power facility in Takuma Plant, as the part of efforts to implement solar power generator
•Energy savings, reduction of CO_2 emissions and development of disaster-resistant business system

2) Expansion of foreign sales and strengthening profitability by focusing investments on highly promising Asian region, strengthening automotive field as it shifts heavily towards overseas production and launching energy-related products

•Vietnam: Launch of CGL/CCL No. 2 by SUNSCO, Acquisition of JIS certification
•Americas: Development of Leavitt's automobile and API businesses
•Americas: Launch of automobile business at Maruichimex in Mexico
•Americas: Acquisition of structural tube division in the northwest of the United States by MOST
•India: Launch of operations at the Bangalore Plant by KUMA

3) Rapid development of human resources for business globalization (groundwork for globalization)

•Rapid development of human resources in Japan corresponding to business globalization, and at local operation overseas

4) Continuation of shareholder-focused capital policy

•Maintenance of high shareholder return ratio

The above initiatives were mainly implemented.

3. Issues and Major Initiatives of Fourth Medium-Term Management Plan

Major issues	*Major initiatives*
1 GROWTH STRATEGY: Continuing growth focused on overseas and achieving high profit ratio both domestically and overseas	
1) Maintaining high profit ratio in domestic operations and overhauling and streamlining facilities at domestic plants	
i Moving ahead with overhauls of aging domestic facilities and increasing production efficiency	a) Replacing facilities at domestic plants: 3-year total investment: ¥15.0 billion (including affiliated plants)
ii Restructuring and streamlining domestic production system, properly allocating human resources	b) Consolidating Osaka plants into Sakai plant
iii Further strengthening the manufacturing and sales system for the purpose of maintaining domestic competitiveness	c) Further focusing efforts on recruitment and human resources education
2) Bolstering profitability by utilizing overseas investments to date	
i Increasing profitability through full operation of new facilities at SUNSCO/Leavitt and reinforcing sales capabilities	a) SUNSCO (HCM): Expanding sales of 16-inch, two small-diameter tube lines, CGL and CCL products by strengthening sales capabilities in Vietnam Selling API products to the U.S. and other regions, and improving export profits
	b) Leavitt: Stably operating facilities, strengthening sales capabilities for API/ASTMA53B and products for automobiles and other users
ii Expanding sales on the U.S. West Coast	a) MAC: Streamlining production through investment in overhauling facilities and expanding sales by strengthening sales capabilities
	b) Strengthening sales in the northwest of the U.S. and the west of Canada with MOST as base
iii Continuing necessary investment in automobile and motorcycle related business, and strengthening trading with Japanese manufacturers in various regions	a) Mexico: Actively responding to the shift of production by various automobile companies and expanding transactions with European and the U.S. companies
	b) India: Expanding sales and strengthening profitability through utilization of the new Bangalore Plant
	c) Ensuring profitability by further increase of competitiveness in China (MMP), Vietnam, Indonesia, and the U.S. (Leavitt)
	d) Considering expansion into new regions and new areas in the automobile field
iv Tackling new business in non-automobile related fields	a) Strengthening response for users in various regions including Japanese companies that are expanding into the regions
v Focusing efforts on development of "human resources that can perform overseas" and "enhancing local human resources."	a) Continuing development of "human resources that can perform overseas" with a focus on young employees
	b) Employing local human resources. Increasing the ratio of employees in Japan who have experience of overseas posting, and having them play an active role leveraging their overseas experience after they return to Japan
2 SHAREHOLDER-FOCUSED CAPITAL POLICY: Maintaining a high dividend payout ratio and raising shareholder return ratio and ROE	
i Maintaining a high dividend payout ratio	a) Continuing dividend policy of "nonconsolidated ordinary income x (1- effective corporate tax rate) x 50%) Returning the effect of the decrease in the effective corporate tax rate as dividends Raising the minimum dividend from the current 30 yen per share to 50 yen per share
ii High profitability and a policy that prioritizes shareholders	b) Raising shareholder return ratio (70% and over) and ROE (6.5% and over) by implementing share buyback
3 SOCIAL CONTRIBUTION: Returning a fixed amount of revenue to society as a sustainable corporate group that grows and develops together with society	a) Providing approximately 0.5% of nonconsolidated net income after payment of dividends for cultural, educational, sports, environmental protection and other activities in local communities in Japan and overseas

Maruichi Product Lines at a Glance

All of the company's steel tubes are manufactured at plants whose scrupulous quality management systems cover every phase of the transformation of raw materials into finished products.

Products are only shipped after passing rigorous inspections to certify that they satisfy JIS and other international standards corresponding to their intended use.

Product Line	Cross Section	Public Standards						
		JIS	ASTM	BS	API	OTHER	Maruichi's Own Specs	Available Size Range (in mm unless otherwise specified)
ERW General Structural and Building Structural Tube	○	G3444						21.7x1.9~508.0x19.0
	□ ▭	G3466						50x50x1.6~400x400x19.0
	□ ▭					BCR		150x150x6.0~400x400x19.0
	○						Green House GH	12.7~48.6
	□ ▭		A 500					1/2"x1/2"x0.039"~ 16"x16"0.625"
ERW Mechanical Tube	○	G3445						8.0x0.6~76.2x3.5
	□ ▭						STKMRK	11x11x1.0~70x25x2.0
	□ ▭						STKMRR	12x12x1.0~80x40x2.0
	□ ▭						STKMRS	25x25x2.3~90x45x3.2
ERW Pipe Piling	○		A5525					318.5x6.9~508.0x19.0
ERW Gas / Water Pipe	○	G3452						6A~500A
	○	G3454						15A~500A (Sch 40)
	○		A53					1/8"~20"
	○			1387				1/8"~6"
ERW OCTG and Line Pipe	○				5CT			Tubing 1.050"~2-7/8""
	○				5L			Line Pipe 4-1/2"~16"
ERW Electrical Conduit	○	C8305						Thick G16~G104 Thin C19~C75 Threadless E19~E75
	○			31				3/4"~2"
	○			4568				20~32
Tapered Pole and Other Fabricated Products	○ □ ⬡ ○					JIL 1001		5m~12m in height as standard

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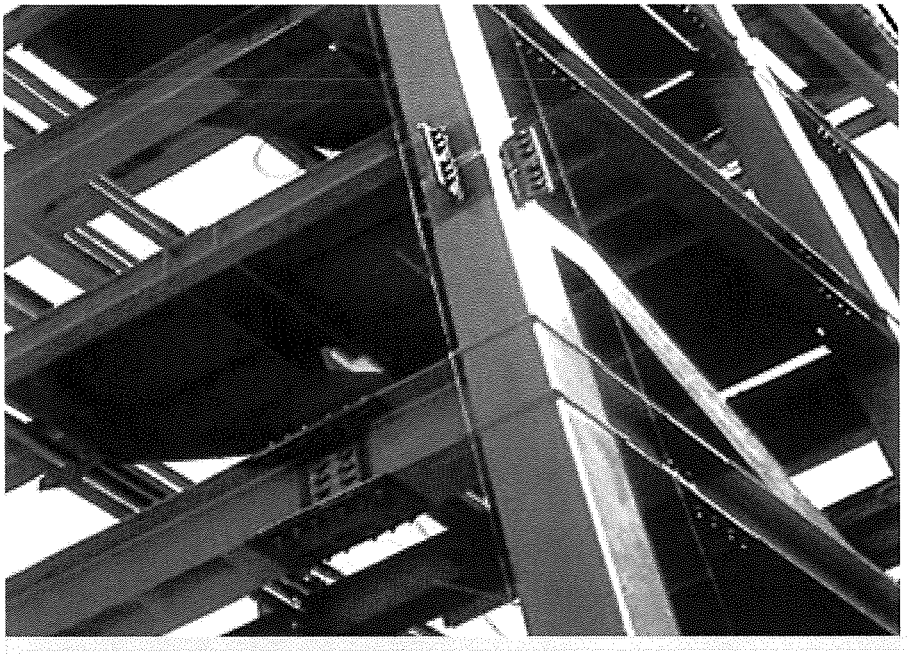
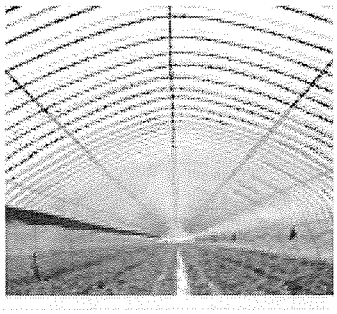


(Left)
Structural columns place
(Below)
Green house framing



General Structural and Building Structural Tubes

The company's strength-certified structural steel tube products fulfill vital roles in diverse fields, including architecture, civil engineering and machinery, while contributing to industrial development.

Our structural steel tubes are currently used as structural columns for buildings ranging from low-rise to high-rise, scaffolding tubes and greenhouses, as well as in other construction and civil engineering fields.

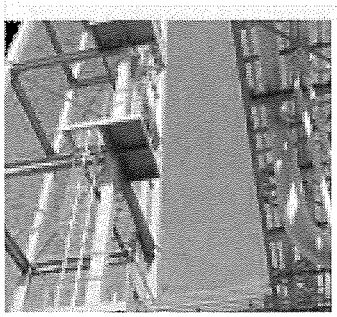
In September 2002, the company started manufacturing highly corrosion-resistant 55% aluminum-zinc plated structural steel tube products for use in agricultural facilities.

Water Pipes, OCTGs and Electrical Conduits

Before piping materials for steam, water, gas and oil are shipped to customers, they must undergo rigorous inspections to certify that they meet JIS and other international standards corresponding to their intended use.

The company's electrical cable conduits undergo hot dip galvanization on both sides of the tube to ensure both the wire and the cable are protected for a long period of time.

These products are widely applied in plant construction projects and power generation plants around the world.



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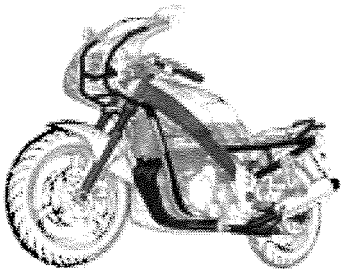
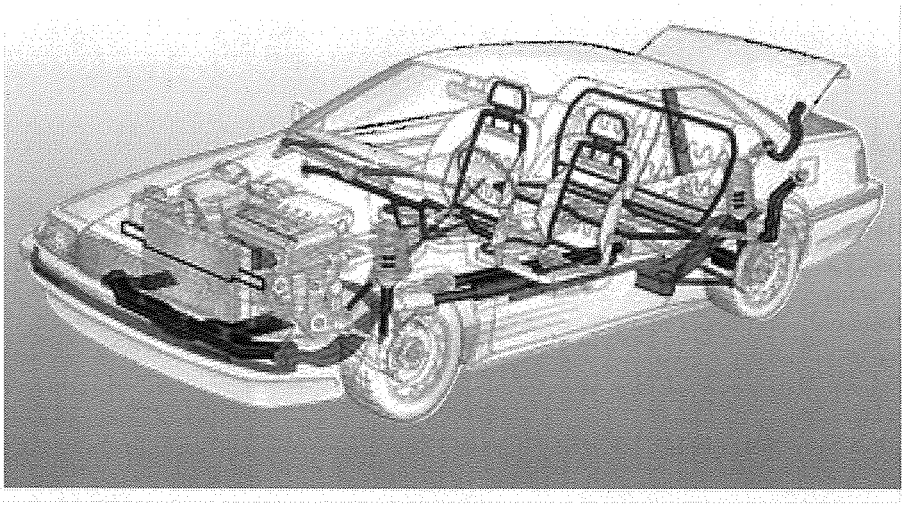




Mechanical Tubes

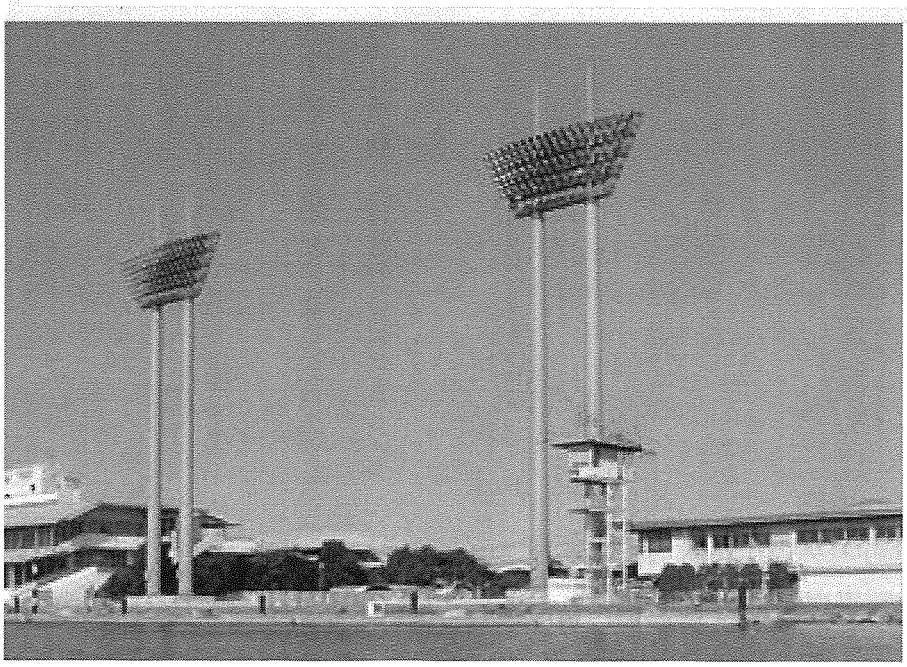
Steel tubes are integral to automobiles, motorcycles, bicycles, medical equipment, fitness machines, office automation equipment, office and educational furniture, among other products, and the company's high-precision products fulfill numerous useful roles for individuals and society.

In particular, cutting-edge technology is essential for steel tubes for automotive applications, including high tensile steel (440N-1470N), in view of automakers' ever increasing demands for lighter, stronger products at lower cost. Maruichi Steel Tube rises to the challenge by deploying expertise accumulated over the past fifty years in combination with the latest technology available.

Maruichi Poles and Other Fabricated Products

Steel structures, such as lamp posts, road signs, traffic lights and security barriers, ensure safety while creating aesthetically pleasing cityscapes or blending with the landscape. They are becoming increasingly important in contemporary society as highway networks are extended to provincial cities, high-density urban areas with numerous high-rise buildings proliferate, new towns are constructed, and environments are enriched to suit aspirational lifestyles.

Our integrated management system encompasses design, fabrication and installation of these steel-pole products. We take pride in satisfying the most exacting safety standards for this vital infrastructure that contributes to the quality of life for everyone.

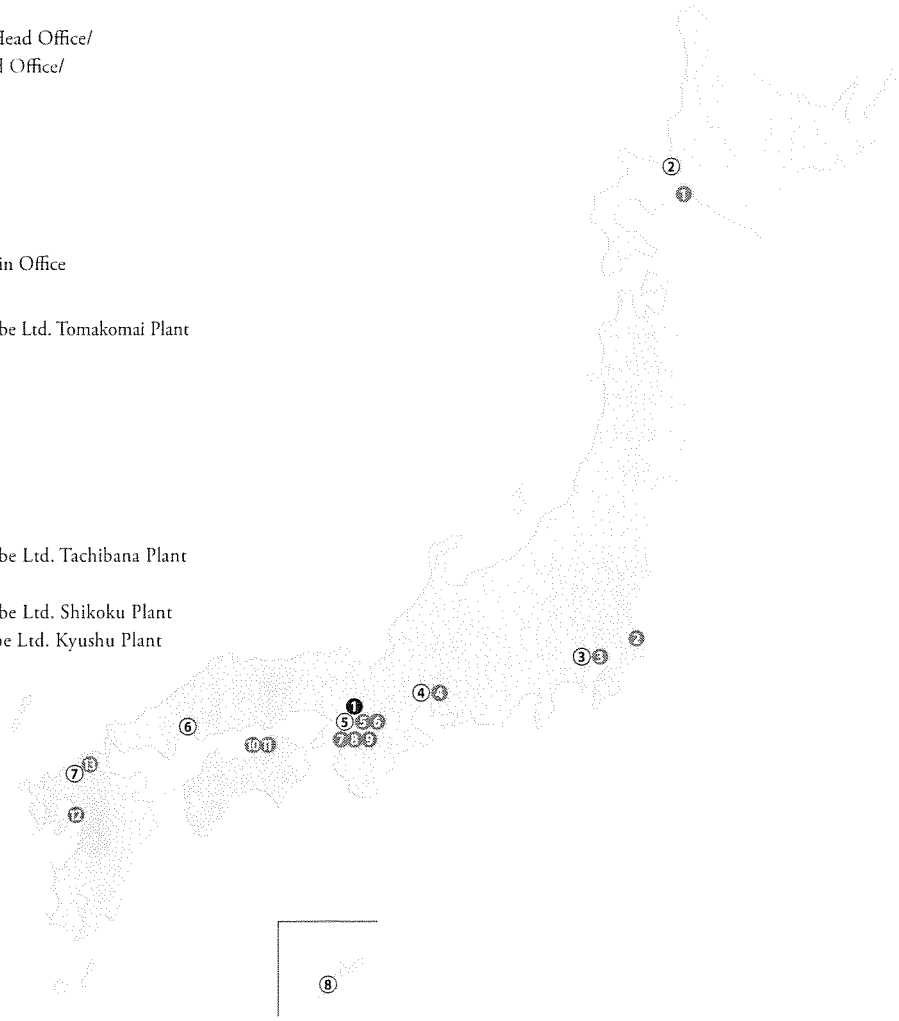


Domestic Network

- **Hokkaido Maruichi Steel Tube Ltd.**
  Manufacture of steel tube and steel pole products
  (products from this company are sold by Maruichi Steel Tubes Ltd. and shipped to the Hokkaido and Tohoku regions of Japan)
- **Kyushu Maruichi Steel Tube Ltd.**
  Manufacture of steel tubes
  (products of this company are sold by Maruichi Steel Tubes Ltd. and shipped to the Okinawa, Kyushu and part of the Chugoku regions of Japan)
- **Shikoku Maruichi Steel Tube Ltd.**
  Manufacture of steel tube products
- **Kasuga Industry Ltd.**
  Cutting of steel tubes and distribution of accessory products for electrical conduits
- **Maruichi Kohan Ltd.**
  A trading division of the Maruichi Group that specializes in the sale of steel tubes manufactured by the Group
- **Okinawa Maruichi Ltd.**
  Sales and distribution of steel tube products as well as materials for water and electrical systems
- **Alpha Metal Co., Ltd.**
  Manufacturing and sales of automobile parts, etc.

❶ Maruichi Steel Tube Ltd. Head Office/
Maruichi Kohan Ltd. Head Office/
② Sapporo Office
③ Tokyo Office
④ Nagoya Office
⑤ Osaka Office
⑥ Hiroshima Office
⑦ Fukuoka Office
⑧ Okinawa Maruichi Ltd. Main Office

❶ Hokkaido Maruichi Steel Tube Ltd. Tomakomai Plant
❷ Kashima Pole Plant
❸ Tokyo Plant
❹ Nagoya Plant
❺ Osaka Plant
❻ Kasuga Industry Ltd.
❼ Sakai Plant
❽ Sakai Pole Plant
❾ Shikoku Maruichi Steel Tube Ltd. Tachibana Plant
❿ Takuma Plant
⓫ Shikoku Maruichi Steel Tube Ltd. Shikoku Plant
⓬ Kyushu Maruichi Steel Tube Ltd. Kyushu Plant
⓭ Alpha Metal Co., Ltd.



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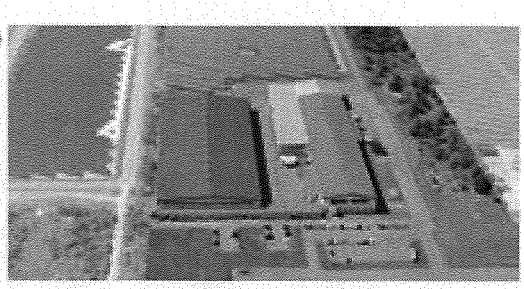

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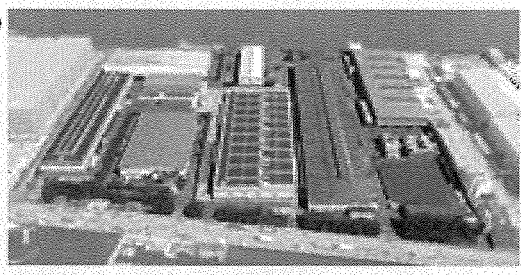

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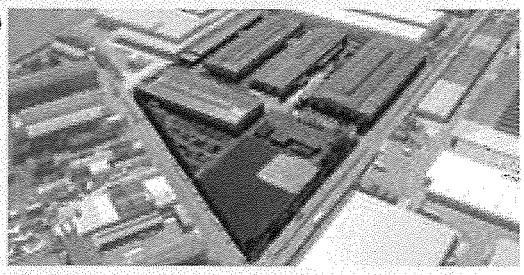

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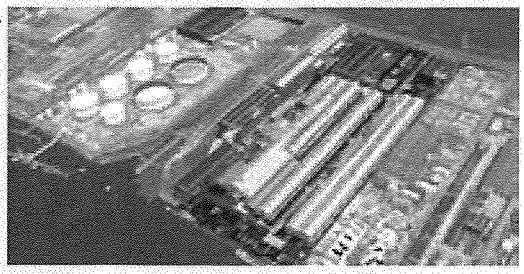

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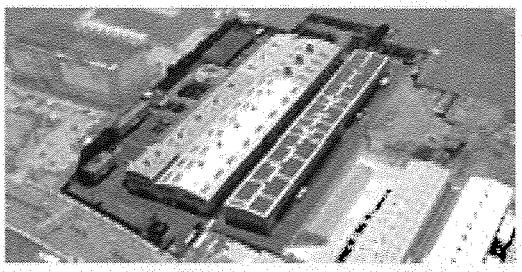

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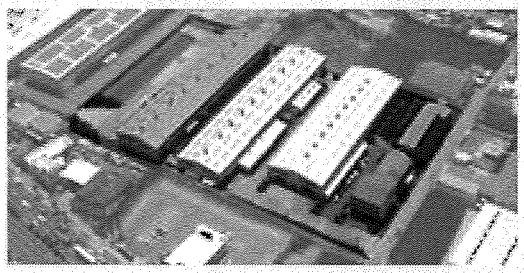

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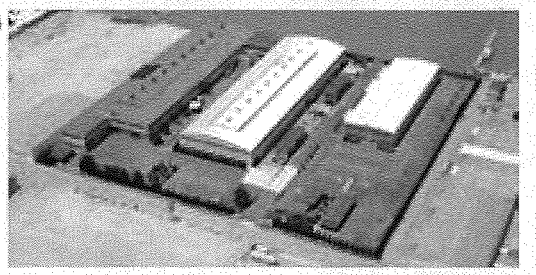

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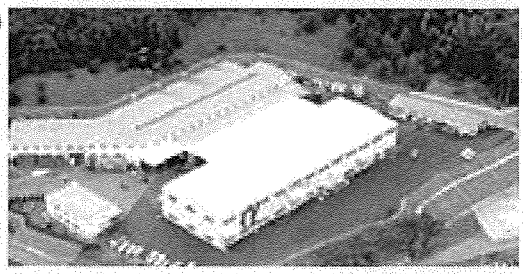
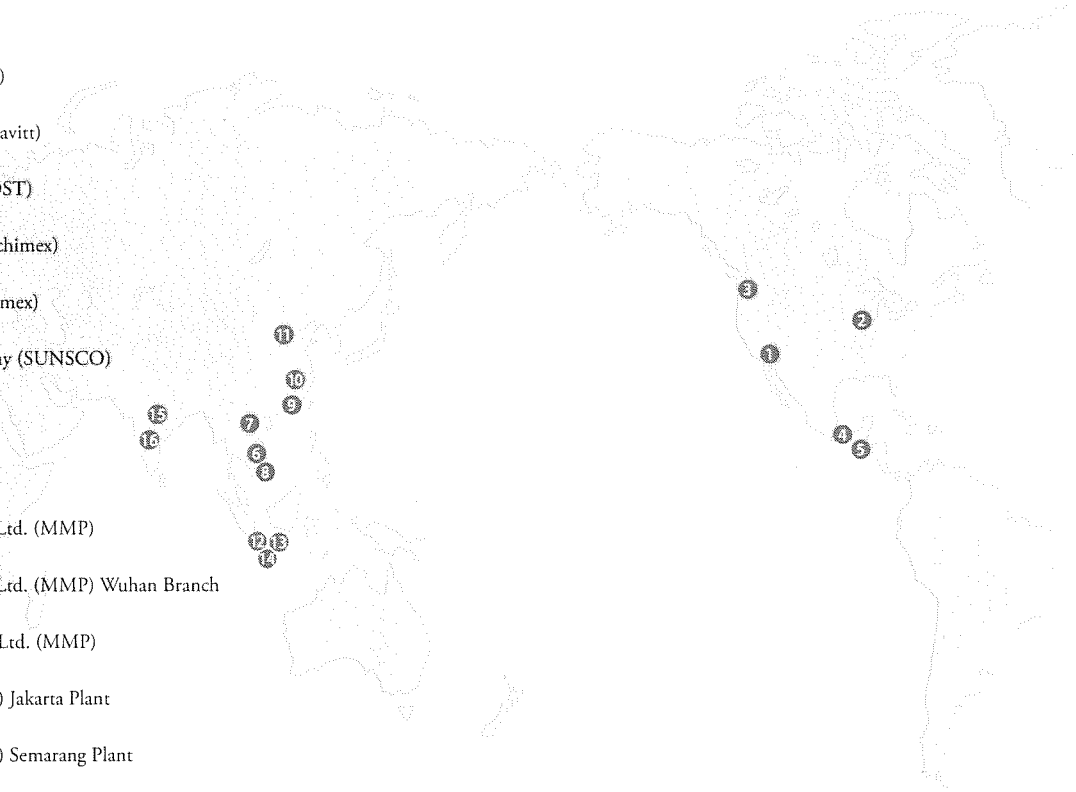


Overseas Network

- **Maruichi American Corporation (MAC)**
  US-based subsidiary that manufactures and sells steel tube products to US West Coast markets
- **Maruichi Leavitt Pipe & Tube, LLC (Leavitt)**
  Manufacture and sales of steel tube products
- **Maruichi Oregon Steel Tube, LLC (MOST)**
  Manufacture and sales of steel tube products
- **MARUICHIMEX S.A. de C.V. (Maruichimex)**
  Manufacture and sales of steel tube products
- **Alphametal Mexico S.A. de C.V. (Alphamex)**
  Manufacture and sales of steel tube products
- **Maruichi Sun Steel Joint Stock Company (SUNSCO)**
  Manufacture and sales of steel tube and galvanized/color steel sheet
- **Maruichi Sun Steel (Hanoi) Co., Ltd.**
  Manufacture and sales of steel tube products
- **J-Spiral Steel Pipe Co., Ltd.**
  Manufacturing and sales of steel pipe pile and steel pipe sheet pile
- **Maruichi Metal Product (Foshan) Co., Ltd. (MMP)**
  Manufacture and sales of steel tube products
- **Maruichi Metal Product (Tianjin) Co., Ltd. (MMP)**
  Manufacture and sales of steel tube products
- **PT. Indonesia Steel Tube Works (ISTW)**
  Manufacture and sales of steel tube products
- **MARUICHI KUMA STEEL TUBE PRIVATE LIMITED (KUMA)**
  Manufacturing and sales of stainless steel tube and aluminized steel tube



1. Maruichi American Corporation (MAC)
   California, U.S.A
2. Maruichi Leavitt Pipe & Tube, LLC (Leavitt)
   Illinois, U.S.A
3. Maruichi Oregon Steel Tube, LLC (MOST)
   Oregon, U.S.A
4. MARUICHIMEX S.A. de C.V. (Maruichimex)
   Aguascalientes, Mexico
5. Alphametal Mexico S.A. de C.V. (Alphamex)
   Aguascalientes, Mexico
6. Maruichi Sun Steel Joint Stock Company (SUNSCO)
   Binh Duong Province, Vietnam
7. Maruichi Sun Steel (Hanoi) Co., Ltd.
   Vinh Phuc Province, Vietnam
8. J-Spiral Steel Pipe Co., Ltd.
   Long Thanh, Vietnam
9. Maruichi Metal Product (Foshan) Co., Ltd. (MMP)
   Guangdong, China
10. Maruichi Metal Product (Foshan) Co., Ltd. (MMP) Wuhan Branch
    Hubei, China
11. Maruichi Metal Product (Tianjin) Co., Ltd. (MMP)
    Tianjin, China
12. PT. Indonesia Steel Tube Works (ISTW) Jakarta Plant
    Jakarta, Indonesia
13. PT. Indonesia Steel Tube Works (ISTW) Semarang Plant
    Semarang, Indonesia
14. PT. Indonesia Steel Tube Works (ISTW) Cikarang Plant
    Cikarang, Indonesia
15. MARUICHI KUMA STEEL TUBE PRIVATE LIMITED (KUMA) MANESAR PLANT
    Manesar, India
16. MARUICHI KUMA STEEL TUBE PRIVATE LIMITED (KUMA) BANGALORE PLANT
    Bangalore, India

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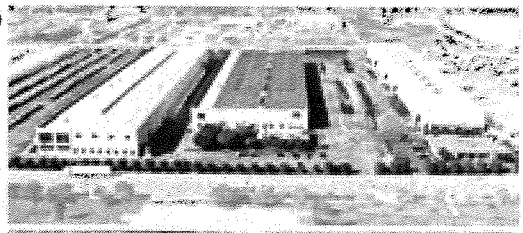

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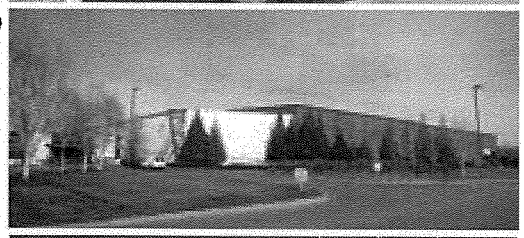

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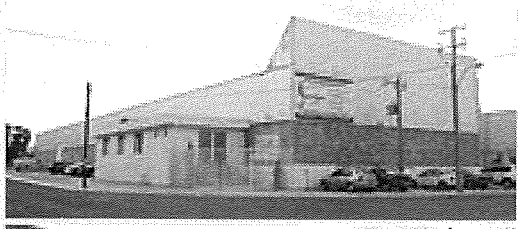

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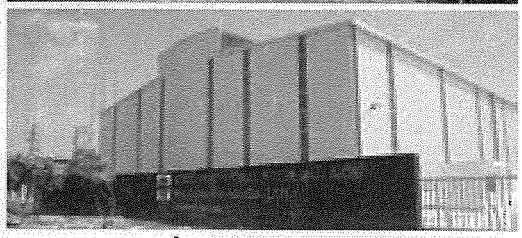

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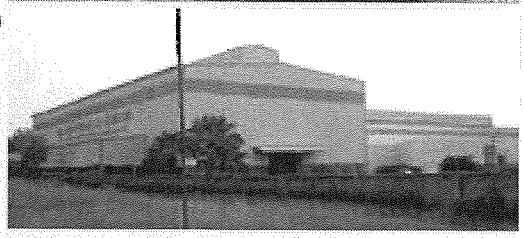

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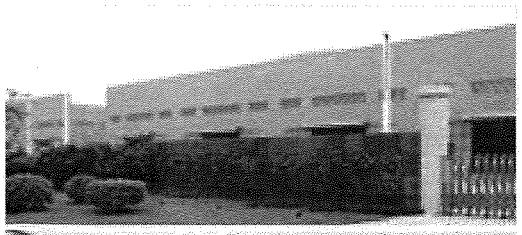

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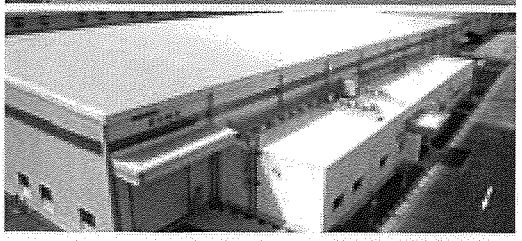


Results of Operations

Net Sales and Operating Income

Net sales increased 11.8% from the previous year to ¥152,668 million. Cost of sales increased 16.9% from the previous year to ¥122,198 million. Consequently, the cost of sales ratio was 80.0%.

Furthermore, selling, general and administrative expenses increased 7.1% to ¥12,736 million and this represents 8.3% on a percentage-of-sales basis. As a result, operating income decreased 11.7% to ¥17,734 million.

Operating results by region

Japan

Net sales were ¥100,172 million and segment profit was ¥17,906 million.

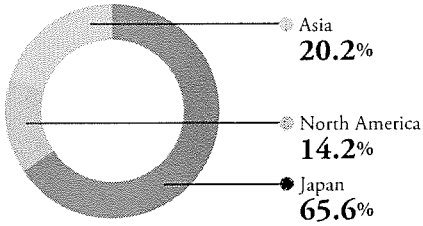
North America

Net sales were ¥21,684 million and segment loss was ¥223 million.

Asia

Net sales were ¥30,812 million and segment loss was ¥46 million.

Ratio of Net Sales by Region

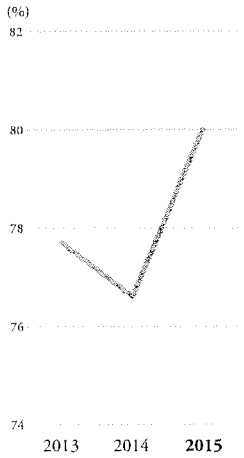


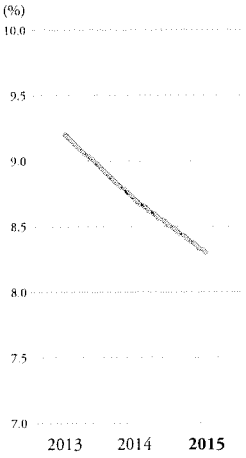
Other Income and Expense

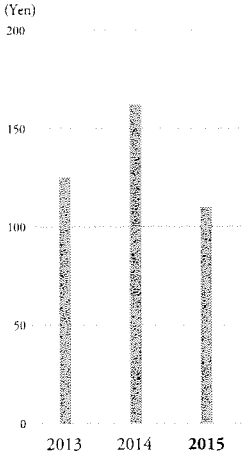
Other income and expense resulted in expense of ¥(2,403) million in FY2015 (income of ¥2,194 million in the previous fiscal year).

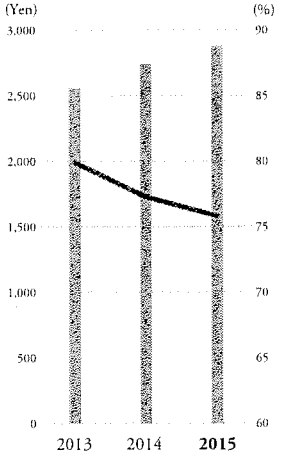
This was mainly due to positive factors of interest and dividend income of ¥1,206 million, exchange gain, net ¥303 million, equity in earnings of affiliated companies, etc. of ¥581 million and gain on sales of investments in securities of ¥817 million as well as negative factors of interest expense of ¥286 million and impairment loss of ¥5,358 million.

As a result, we posted net income of ¥9,300 million (net income of ¥13,748 million in the previous fiscal year).









Analysis of the Financial Situation

Total assets at the end of FY2015 increased by ¥20,970 million to ¥321,452 million.

Current assets increased by ¥7,451 million to ¥153,779 million. This was mainly due to a ¥1,215 million increase in finished goods, a ¥3,508 million increase in raw materials and supplies, a ¥2,475 million increase in short-term investments, and a ¥1,879 million increase in trade notes and accounts receivable, despite a ¥2,609 million decrease in cash and bank deposits.

Investments and advances increased by ¥6,177 million to ¥76,657 million. This was mainly due to an increase in unrealized holding gains on available-for-sale securities resulting from the increase of security value in stock markets.

Property, plant and equipment increased by ¥5,632 million to ¥87,266 million mainly due to inclusion of the newly established MOST in the scope of consolidation.

Total liabilities at the end of FY2015 increased by ¥9,116 million to ¥67,078 million. This increase was mainly attributable to a ¥4,864 million increase in trade notes and accounts payable and a ¥3,858 million increase in short-term bank loans.

Looking at net assets, retained earnings increased by ¥3,197 million, due to net income of ¥9,300 million despite payments of ¥6,228 million in dividends. Unrealized holding gains on available-for-sale securities increased by ¥5,274 million and foreign currency translation adjustments increased by ¥2,885 million. As a result, total net assets increased by ¥11,854 million to ¥254,374 million.

Cash Flows

Cash and cash equivalents (hereinafter "cash") at the end of FY2015 increased by ¥4,380 million from the end of the previous fiscal year to ¥47,869 million. The results of the various activities and their respective causes are outlined below.

Cash Flows from Operating Activities

Cash flows provided by operating activities decreased to ¥19,295 million (¥1,918 million down from the previous fiscal year). Major cash inflows included income before income taxes and minority interests of ¥15,331 million, along with depreciation and amortization of ¥6,093 million and impairment loss of ¥5,358 million. Major cash outflows included income taxes paid of ¥8,187 million.

Cash Flows from Investing Activities

Cash flows used in investing activities were ¥8,938 million (¥1,273 million up from the previous fiscal year). Major cash inflows included (increase) decrease in time deposits with original maturities of over three months of ¥6,990 million and proceeds from sales of investments in securities of ¥7,109 million. Major cash outflows included payments of ¥6,207 million from acquiring business by MOST. Looking at capital expenditures, payments for purchase of non-current assets of ¥9,598 million were recorded mainly due to completion of construction of the No. 2 Plant of Maruichimex and the Bangalore Plant of KUMA as well as acquisition of land in association with solar power generation equipment and the transfer of Yokohama Sales Office of Maruichi Kohan.

Cash Flows from Financing Activities

Cash flows used in financing activities were ¥6,443 million (¥1,450 million up from the previous fiscal year). Major cash inflows included net increase (decrease) in short-term bank loans of ¥643 million and minority shareholders' contributions of capital of ¥654 million in relation to capital increase at Maruichimex. Major cash outflows included ¥1,452 million from repayments of long-term debt and ¥6,228 million from dividends paid.

Consolidated Balance Sheets

Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
As of March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
ASSETS			
Current assets:			
Cash and bank deposits (Notes 5, 11 & 14)	¥ 61,312	¥ 63,921	$ 510,209
Short-term investments (Notes 6 & 14)	23,157	20,682	192,702
Trade notes and accounts receivable (Notes 7, 11, 14 & 17)	34,977	33,098	291,062
Less allowance for doubtful accounts	(29)	(252)	(238)
Inventories (Notes 8 & 11)	29,972	25,249	249,416
Deferred income taxes (Note 13)	882	1,067	7,337
Others (Note 11)	3,508	2,563	29,187
Total current assets	153,779	146,328	1,279,675
Investments and advances:			
Investments in securities (Notes 6 & 14)	64,221	58,470	534,415
Investments in unconsolidated subsidiaries and affiliated companies	9,568	9,082	79,625
Others (Note 11)	2,868	2,928	23,868
Total investments and advances	76,657	70,480	637,908
Property, plant and equipment (Notes 9 & 11):			
Land	32,661	30,526	271,792
Buildings and structures	49,863	45,466	414,939
Machinery and equipment	108,630	97,492	903,965
Construction in progress	2,999	3,652	24,959
Leased property under finance lease	419	2	3,488
	194,572	177,138	1,619,143
Less accumulated depreciation	(107,306)	(95,504)	(892,953)
Total property, plant and equipment	87,266	81,634	726,190
Other assets:			
Deferred income taxes (Note 13)	422	343	3,513
Goodwill	1,011	325	8,415
Others (Note 11)	2,317	1,372	19,277
Total other assets	3,750	2,040	31,205
Total assets	¥321,452	¥300,482	$2,674,978

The accompanying notes are an integral part of these financial statements.

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term bank loans (Notes 10, 11 & 14)	¥ 10,565	¥ 6,707	$ 87,918
Payables:			
Trade notes and accounts (Note 14)	24,489	19,625	203,788
Construction	1,029	1,397	8,563
Other	2,135	1,936	17,767
Accrued income taxes (Note 13)	2,991	4,417	24,886
Accrued bonuses to employees	846	861	7,037
Accrued bonuses to directors and corporate auditors	80	81	663
Accrued expenses	2,217	2,094	18,445
Others	1,611	345	13,415
Total current liabilities	45,963	37,463	382,482
Long-term liabilities:			
Long-term debt (Notes 10, 11 & 14)	11,270	12,676	93,783
Accrued retirement benefits to directors and corporate auditors	65	52	544
Net defined benefit liability (Note 12)	3,121	3,405	25,973
Deferred income taxes (Note 13)	6,428	4,151	53,490
Others	231	215	1,917
Total long-term liabilities	21,115	20,499	175,707
Total liabilities	67,078	57,962	558,189
Contingencies (Note 17)			
Net assets (Note 18):			
Shareholders' equity:			
Common stock			
authorized: 200,000,000 shares in 2015 and 2014			
issued: 94,000,000 shares in 2015 and 2014	9,595	9,595	79,846
Additional paid-in capital	15,822	15,822	131,663
Retained earnings	223,200	220,003	1,857,369
Less treasury stock at cost			
9,270,643 shares in 2015 and 9,265,038 shares in 2014	(20,506)	(20,492)	(170,645)
Total shareholders' equity	228,111	224,928	1,898,233
Accumulated other comprehensive income:			
Unrealized holding gains on available-for-sale securities (Note 6)	14,382	9,108	119,683
Foreign currency translation adjustments	1,270	(1,615)	10,566
Remeasurements of defined benefit plans (Note 12)	(121)	(69)	(1,004)
Total accumulated other comprehensive income	15,531	7,424	129,245
Stock options (Note 19)	135	112	1,121
Minority interests	10,597	10,056	88,190
Total net assets	254,374	242,520	2,116,789
Total liabilities and net assets	¥321,452	¥300,482	$2,674,978

Consolidated Statements of Income

Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
Net sales	¥152,668	¥136,548	$1,270,435
Cost of sales (Note 20)	122,198	104,571	1,016,877
Gross profit	30,470	31,977	253,558
Selling, general and administrative expenses (Notes 15 & 20)	12,736	11,897	105,980
Operating income	17,734	20,080	147,578
Other income (expense):			
Interest and dividend income	1,206	1,060	10,036
Interest expense	(286)	(193)	(2,381)
Gains on sales of property, plant and equipment	24	98	201
Gains on sales of investments in securities (Note 6)	817	286	6,798
Compensation income for expropriation	–	3,145	–
Exchange gain, net	303	755	2,519
Equity in earnings of affiliated companies, etc.	581	515	4,839
Losses on sales of investments in securities (Note 6)	–	(9)	–
Impairment loss (Note 16)	(5,358)	–	(44,590)
Losses on devaluation of investments in affiliated companies (Note 14)	–	(363)	–
Losses on disposal of property, plant and equipment, etc.	(30)	(368)	(251)
Loss on reduction of property, plant and equipment (Note 9)	–	(3,089)	–
Other, net	340	357	2,829
	(2,403)	2,194	(20,000)
Income before income taxes and minority interests	15,331	22,274	127,578
Income taxes (Note 13):			
Current	6,868	7,594	57,156
Deferred	456	441	3,791
	7,324	8,035	60,947
Income before minority interests	8,007	14,239	66,631
Minority interests	(1,293)	491	(10,759)
Net income	¥ 9,300	¥ 13,748	$ 77,390

	Yen		U.S. dollars (Note 1)
Per share amounts:			
Net income:			
Basic	¥109.76	¥162.25	$0.91
Diluted	¥109.66	¥162.12	$0.91
Cash dividends	¥ 71.50	¥ 73.50	$0.59
Weighted average number of shares (thousands)			
Common stock	84,733	84,734	
Dilutive securities (stock options)	84,811	84,803	

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Comprehensive Income

Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
Income before minority interests	¥ 8,007	¥14,239	$ 66,631
Other comprehensive income:			
Unrealized holding gains on available-for-sale securities (Note 6)	5,314	3,748	44,223
Foreign currency translation adjustments	3,451	4,404	28,716
Remeasurements of defined benefit plans (Note 12)	(39)	–	(324)
Share of other comprehensive income of affiliates and subsidiaries accounted for using equity method	572	960	4,755
Total other comprehensive income (Note 21)	9,298	9,112	77,370
Total comprehensive income	¥17,305	¥23,351	$144,001
Total comprehensive income attributable to:			
Owners of the parent	¥17,407	¥21,445	$144,854
Non-controlling interests	(102)	1,906	(853)

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Changes in Net Assets

Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen											
	Shareholders' equity					Accumulated other comprehensive income						
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gains on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock options	Minority interests	Total net assets
BALANCE, April 1, 2013	¥9,595	¥15,822	¥211,893	¥(20,504)	¥216,806	¥ 5,375	¥(5,579)	¥ –	¥ (204)	¥102	¥ 8,553	¥225,257
Cumulative effects of changes in accounting policies					–							–
Restated balance	9,595	15,822	211,893	(20,504)	216,806	5,375	(5,579)	–	(204)	102	8,553	225,257
Changes during the year:												
Cash dividends			(5,635)		(5,635)				–			(5,635)
Net income			13,748		13,748				–			13,748
Purchase of treasury stock				(2)	(2)				–			(2)
Sales of treasury stock			(3)	14	11				–			11
Change of scope of consolidation					–				–			–
Net changes in items other than shareholders' equity					–	3,733	3,964	(69)	7,628	10	1,503	9,141
Total changes during the year	–	–	8,110	12	8,122	3,733	3,964	(69)	7,628	10	1,503	17,263
BALANCE, April 1, 2014	9,595	15,822	220,003	(20,492)	224,928	9,108	(1,615)	(69)	7,424	112	10,056	242,520
Cumulative effects of changes in accounting policies			215		215							215
Restated balance	9,595	15,822	220,218	(20,492)	225,143	9,108	(1,615)	(69)	7,424	112	10,056	242,735
Changes during the year:												
Cash dividends			(6,228)		(6,228)				–			(6,228)
Net income			9,300		9,300				–			9,300
Purchase of treasury stock				(14)	(14)				–			(14)
Sales of treasury stock		0		0	0				–			0
Change of scope of consolidation			(90)		(90)				–			(90)
Net changes in items other than shareholders' equity					–	5,274	2,885	(52)	8,107	23	541	8,671
Total changes during the year	–	0	2,982	(14)	2,968	5,274	2,885	(52)	8,107	23	541	11,639
BALANCE, March 31, 2015	¥9,595	¥15,822	¥223,200	¥(20,506)	¥228,111	¥14,382	¥1,270	¥(121)	¥15,531	¥135	¥10,597	¥254,374

	Thousands of U.S. dollars (Note 1)											
	Shareholders' equity					Accumulated other comprehensive income						
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gains on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Stock options	Minority interests	Total net assets
BALANCE, April 1, 2014	$79,846	$131,663	$1,830,761	$(170,526)	$1,871,744	$ 75,794	$(13,443)	$ (570)	$ 61,781	$ 933	$83,685	$2,018,143
Cumulative effects of changes in accounting policies			1,796		1,796				–			1,796
Restated balance	79,846	131,663	1,832,557	(170,526)	1,873,540	75,794	(13,443)	(570)	61,781	933	83,685	2,019,939
Changes during the year:												
Cash dividends			(51,827)		(51,827)				–			(51,827)
Net income			77,390		77,390				–			77,390
Purchase of treasury stock				(120)	(120)				–			(120)
Sales of treasury stock		0		1	1				–			1
Change of scope of consolidation			(751)		(751)				–			(751)
Net changes in items other than shareholders' equity					–	43,889	24,009	(434)	67,464	188	4,505	72,157
Total changes during the year	–	0	24,812	(119)	24,693	43,889	24,009	(434)	67,464	188	4,505	96,850
BALANCE, March 31, 2015	$79,846	$131,663	$1,857,369	$(170,645)	$1,898,233	$119,683	$10,566	$(1,004)	$129,245	$1,121	$88,190	$2,116,789

The accompanying notes are an integral part of these financial statements.

Consolidated Statements of Cash Flows

Maruichi Steel Tube Ltd. and Consolidated Subsidiaries
Years ended March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2015	2014	2015
Cash flows from operating activities:			
Income before income taxes and minority interests	¥15,331	¥22,274	$127,578
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation and amortization	6,093	5,299	50,701
Impairment loss	5,358	–	44,590
Decrease in allowance for doubtful accounts	(229)	(61)	(1,905)
Compensation income for expropriation	–	(3,145)	–
Loss on reduction of property, plant and equipments	–	3,089	–
(Decrease) increase in reserve for bonuses to employees	(15)	29	(128)
(Decrease) increase in reserve for bonuses to directors and corporate auditors	(1)	6	(10)
(Decrease) increase in net defined benefit liability	(16)	212	(137)
Increase in accrued retirement benefits to directors and corporate auditors	13	5	108
Interest and dividend income	(1,206)	(1,060)	(10,036)
Interest expense	286	193	2,381
Equity in earnings of affiliated companies, etc.	(581)	(515)	(4,839)
Gains on sales of property, plant and equipment, net	(4)	(85)	(36)
Losses on disposal of property, plant and equipment, etc.	30	368	251
Gains on sales and valuation of short-term and investments in securities, net	(817)	(277)	(6,798)
Losses on devaluation of investments in affiliated companies	–	363	–
Increase in trade receivables	(1,237)	(3,174)	(10,290)
Increase in inventories	(1,772)	(1,943)	(14,748)
Increase in trade payables	4,043	4,794	33,648
Other, net	1,028	(1,093)	8,557
Subtotal	26,304	25,279	218,887
Dividends and interest income received	1,465	1,449	12,192
Interest paid	(287)	(193)	(2,381)
Income taxes paid	(8,187)	(5,322)	(68,131)
Net cash provided by operating activities	19,295	21,213	160,567
Cash flows from investing activities:			
Decrease in time deposits with original maturities over three months	6,990	2,019	58,164
Net increase in short-term investments	(2,010)	(1,163)	(16,724)
Proceeds from compensation for expropriation	–	944	–
Payments for purchases of investments in securities	(4,926)	(3,186)	(40,994)
Proceeds from sales of investments in securities	7,109	3,232	59,158
Payments for investments in affiliated companies	(434)	(617)	(3,611)
Payments for business transfer (Note 5)	(6,207)	–	(51,652)
Payments for purchases of property, plant and equipment and intangible assets	(9,598)	(8,841)	(79,867)
Proceeds from sales of property, plant and equipment and intangible assets	46	117	386
Other, net	92	(170)	762
Net cash used in investing activities	(8,938)	(7,665)	(74,378)
Cash flows from financing activities:			
Net increase (decrease) in short-term bank loans	643	(607)	5,352
Proceeds from long-term debt	50	2,220	416
Repayments of long-term debt	(1,452)	(871)	(12,082)
Proceeds from sales of treasury stock	0	0	1
Payments for purchases of treasury stock	(14)	(2)	(120)
Dividends paid	(6,228)	(5,635)	(51,827)
Proceeds from share issuance to minority shareholders	654	–	5,442
Dividends paid to minority shareholders	(96)	(98)	(798)
Other, net	–	0	–
Net cash used in financing activities	(6,443)	(4,993)	(53,616)
Effect of exchange rate changes on cash and cash equivalents	364	512	3,026
Net increase in cash and cash equivalents	4,278	9,067	35,599
Cash and cash equivalents at beginning of the year	43,489	34,422	361,895
Net increase resulting from a newly consolidated subsidiary	102	–	847
Cash and cash equivalents at end of the year (Note 5)	¥47,869	¥43,489	$398,341

The accompanying notes are an integral part of these financial statements.

Notes to the Consolidated Financial Statements

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared based on the accounts maintained by Maruichi Steel Tube Ltd. (the "Company"), its consolidated subsidiaries and affiliated companies in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Law (the "Law") and in conformity with accounting principles and practices generally accepted in Japan which are different in certain respects from application and disclosure requirements of International Financial Reporting Standards.

Certain reclassifications have been made to the consolidated financial statements issued domestically to present them in a form more familiar to readers outside Japan. In addition, certain notes included herein are not required under accounting principles and practices generally accepted in Japan but have been presented as additional information.

The U.S. dollar amounts included herein are provided solely for convenience and are stated, as a matter of arithmetical computation only, at the rate of ¥ 120.17 = $ 1.00, the approximate rate of exchange on March 31, 2015. The translation should not be construed as representations that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars at this or any other rate.

2. Summary of Significant Accounting Policies

(a) Principles of consolidation

The accounting policies and procedures applied to the parent company and its consolidated subsidiaries for similar transactions and events under similar circumstances are in principle unified for the preparation of the consolidated financial statements. Therefore, for the financial statements prepared by consolidated overseas subsidiaries, necessary adjustments have been made in accordance with above principle in the consolidation process. However the financial statements prepared in accordance with IFRSs or the generally accepted accounting principles in the United States (U.S. GAAP) are used with no adjustments, unless otherwise stipulated by Practical Issue Task Force (PITF) No. 18, "Practical Solution on Unification of Accounting Policies to Foreign Subsidiaries for the Consolidated Financial Statements" issued by the ASBJ on May 17, 2006.

The consolidated financial statements include the accounts of the Company and its 13 (11 in 2014) consolidated subsidiaries (collectively, the "Group"). A subsidiary is defined to be a company more than 50% of whose shares are held by the Company or 40-50% of whose shares are held by the Company and which is controlled by the Company through certain channels. All significant inter-company balances, transactions and unrealized profit thereof are eliminated in consolidation. Other subsidiaries are not consolidated as they are not significant in terms of total assets, net sales, net income or retained earnings.

Seven (five in 2014) foreign consolidated subsidiaries have December year-end and two (two in 2014) domestic consolidated subsidiaries have February year-end, which are reflected in the consolidated financial statements by their own fiscal years without adjusting to that of the Company. Any material events occurred during the period between March 31 and above different closing dates are adjusted for the purpose of consolidation and reflected in the accompanying consolidated financial statements.

Five (five in 2014) affiliated companies are accounted for by the equity method.

Investments in six (six in 2014) unconsolidated subsidiaries and other three (three in 2014) affiliated companies are stated at cost and are not accounted for by the equity method because of their immaterial impact.

Differences between the cost and the underlying net equity at fair value of investments in consolidated subsidiaries and in companies which are accounted for by the equity method have been amortized by the straight-line method over the period less than 20 years, except for immaterial differences which are fully charged to income in the year of acquisition.

(b) Translation of foreign currencies

All assets and liabilities denominated in foreign currencies are translated into Japanese yen at current rate at year-end date and the resulting translation gains or losses are charged to income. Revenues and expenses are translated at the exchange rates prevailing when the transactions are made.

As to translation of financial statements of foreign subsidiaries, assets and liabilities are translated into Japanese yen at year-end exchange rates, shareholders' equity accounts are translated at historical rates, and revenues and expenses are translated at average rates prevailing during the year. The resulting foreign currency translation adjustments are shown as a separate component of net assets.

(c) Cash and cash equivalents

Cash and cash equivalents in the consolidated statements of cash flows are composed of cash on hand, bank deposits on demand and short-term investments with original maturities of three months or less and insignificant risk of change in value.

(d) Short-term investments and investments in securities

Securities, which are included in short-term investments and investments in securities, held by the Group are classified as available-for-sale securities as defined by the accounting standard for financial instruments.

Available-for-sale securities for which market quotations are available are carried at fair value at the balance sheet date. Net unrealized gains or losses on these securities are reported as a separate item in net assets, net of applicable taxes.

Unquoted equity securities are stated at cost. The cost is determined by the moving average method.

In cases where the fair value of available-for-sale securities has declined significantly and the impairment of value is not deemed temporary, those securities are written down to the fair value and the resulting losses are charged to income for the period in which the loss incurs.

(e) Investments in unconsolidated subsidiaries and affiliated companies

Investments in unconsolidated subsidiaries and affiliated companies which are not accounted for by the equity method are stated at cost determined by the moving average method.

(f) Inventories

Inventories are measured at the lower of cost or net selling value. The costs of finished goods, raw materials and supplies are determined by the gross average method, the moving average method and the last purchase cost method, respectively. The net selling value is defined as the selling price less additional estimated manufacturing costs and estimated selling expenses.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is computed by the declining balance method, except for buildings acquired on or after April 1, 1998, which are depreciated by the straight-line method based on the following range of estimated useful lives of the assets.

Buildings and structures 10—50 years
Machinery and equipment 5—14 years

The cost of property, plant and equipment retired or otherwise disposed of and the related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is charged to income during the applicable period. Normal repairs and maintenance including minor renewals and improvements are charged to income as incurred.

(h) Allowance for doubtful accounts

Allowance for doubtful accounts is established to provide for future losses based on the historical rate of the credit loss experienced. In addition, allowances for specific customer accounts, which were deemed uncollectible, are provided.

(i) Net defined benefit liability

The Company and its domestic consolidated subsidiaries have unfunded lump-sum severance indemnity plans and corporate pension plans. The Company transferred a part of its retirement benefit plans from a tax qualified pension plan to a defined benefit corporate pension plan (cash balance plan) in June 2008. Foreign consolidated subsidiaries adopt defined contribution pension plans. In addition, for those defined benefit corporate pension plans and lump-sum severance indemnity plans certain consolidated subsidiaries have, net defined benefit liability and net pension expense are calculated by the simplified method. Net defined benefit liability represent mainly the estimated present value of projected benefit obligations in excess of fair value of the plan assets at the end of the fiscal year. Upon the calculation of retirement benefit obligations, projected benefit obligations attributable up to the end of this fiscal year are accounted for using the benefit formula basis. The unrecognized actuarial differences are amortized on a straight-line basis over the period of three years from the fiscal year following the fiscal year they occur. The prior service cost is charged to income when incurred. The account includes the balance for employees and operating officers, which is calculated based on the current rate of pay, length of service and consideration of each respective position.

(j) Accrued retirement benefits for directors and corporate auditors

Certain domestic consolidated subsidiaries provide for lump-sum retirement benefits with respect to directors and corporate auditors based on the current rate of pay, length of service and consideration of each respective position. The provisions are not funded.

(k) Income taxes

Accrued income taxes are provided at the amount currently payable. The Group has adopted the deferred tax accounting method. Income taxes are determined using the asset and liability approach, whereby deferred tax assets and liabilities are recognized in respect to temporary differences between the tax basis of assets and liabilities and those as reported in the financial statements.

(l) Consumption taxes

Consumption taxes are not included in the respective accounts in the accompanying consolidated statements of income but are recorded in the consolidated balance sheet in net of taxes receivable and payable.

(m) Appropriation of retained earnings

The Company is able to appropriate retained earnings (primarily for cash dividend payments) by resolution of the Board of Directors, provided that certain criteria are met.

(n) Net income per share

Basis net income per share is calculated by dividing net income by the weighted average number of shares of common stock outstanding during the year.

3. Accounting Changes

The Company has adopted "Accounting Standard for Retirement Benefits" (the Accounting Standards Board of Japan (hereinafter, "ASBJ") Statement No. 26, May 17, 2012, hereinafter "Retirement Benefits Standard") and "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015, hereinafter "Retirement Benefits Guidance") from the current fiscal year, with regard to paragraph 35 of Retirement Benefits Standard and paragraph 67 of Retirement Benefits Guidance. Accordingly, the Company has revised the calculation method for projected benefit obligations and service cost, and has changed the method of attributing the projected benefits to periods of services from the straight-line method to the benefit formula basis, and also changed the method of determining the discount rate from using the discount rate based on the terms closely related to the employees' average remaining service years to using a single weighted average discount rate that reflects the estimated term and amount of benefit payments.

The Retirement Benefits Standard and other accounting methods are applied in accordance with the transitional provisions set forth in paragraph 37 of the Retirement Benefits Standard, the effect of the change in calculation method for projected benefit obligations and service cost is reflected as increase or decrease in retained earnings at the beginning of the fiscal year.

As a result, at the beginning of the fiscal year, net defined benefit liability decreased by ¥334 million ($2,779 thousand) and retained earnings increased by ¥216 million ($1,796 thousand). The effect on operating income and income before income taxes and minority interests for the fiscal year was immaterial.

The effect on net assets per share, basic net income per share and diluted net income per share was immaterial.

4. Unapplied new accounting standards

"Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013)
"Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013)
"Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, September 13, 2013)
"Accounting Standard for Earnings per Share" (ASBJ Statement No. 2, September 13, 2013)
"Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, September 13, 2013)
"Guidance on Accounting Standard for Earnings per Share" (ASBJ Guidance No. 4, September 13, 2013)
"Practical Solution on Unification of Accounting for Accounting Policies to Foreign Subsidiaries for the Consolidated Financial Statements" (PITF No. 18, March 26, 2015)

(1) Overview

The following items have been mainly revised; (a) accounting treatment for changes in the parent's ownership interests in a subsidiary when the parent continues to retain control of that subsidiary after the additional acquisition of the parent's ownership interest in that subsidiary (b) accounting treatment for acquisition-related costs, (c) presentation of net income as well as the change of minority interests to non-controlling interests, (d) provisional accounting treatment, (e) to reflect the change in the accounting treatment of goodwill under U.S. GAAP in January, 2014, (f) to reflect the revision of Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013) and (g) to clarify the adjustment necessary related to recognizing actuarial differences in profit or loss.

(2) Date of adoption

The Companies will adopt the accounting standards effective from the beginning of the fiscal year ending March 31, 2016.

In addition, the Companies will adopt the provisional accounting for those business combinations initiated after the beginning of the fiscal year ending March 31, 2016.

(3) The effect of adopting the accounting standards

The effect has not been determined at the time consolidated financial statements were prepared.

5. Consolidated Statements of Cash Flows Information

(1) Cash and cash equivalent

Reconciliation of cash and cash equivalents between the consolidated statements of cash flows and the consolidated balance sheets is as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Cash and bank deposits	¥61,312	¥63,921	$510,209
Time deposits with maturities over 3 months	(13,443)	(20,432)	(111,868)
Cash and cash equivalents	¥47,869	¥43,489	$398,341

(2) Assets acquired by business transfer

Maruichi Oregon Steel Tube, LLC, a 100% subsidiary of the Company, acquired structural tube division of EVRAZ Oregon Steel, in the fiscal year ended March 31, 2015. Summary of assets acquired and the acquisition cost of business transfer were as follows:

	Millions of yen	Thousands of U.S. dollars
Current assets	¥ 936	$ 7,792
Non-current assets	4,264	35,478
Goodwill	1,007	8,382
Net cash used for the business transfer	¥6,207	$51,652

6. Short-term Investments and Investments in Securities

Short-term investments and investments in securities held by the Group for which market quotations are available were summarized as follows:

Millions of yen

March 31, 2015	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Carrying amount (fair value)
Equity securities	¥24,916	¥19,158	¥ (54)	¥44,020
Bonds and debentures	19,553	144	(122)	19,575
Others	23,656	18	–	23,674
	¥68,125	¥19,320	¥(176)	¥87,269

Thousands of U.S. dollars

March 31, 2015	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Carrying amount (fair value)
Equity securities	$207,338	$159,424	$ (451)	$366,311
Bonds and debentures	162,709	1,199	(1,012)	162,896
Others	196,858	150	–	197,008
	$566,905	$160,773	$(1,463)	$726,215

Millions of yen

March 31, 2014	Acquisition cost	Gross unrealized gains	Gross unrealized losses	Carrying amount (fair value)
Equity securities	¥29,106	¥12,536	¥(537)	¥41,105
Bonds and debentures	17,558	104	(102)	17,560
Others	20,378	–	–	20,378
	¥67,042	¥12,640	¥(639)	¥79,043

The information of available-for-sale securities which were sold was as follows:

Millions of yen

For the year ended March 31, 2015	Proceeds	Realized gains	Realized loss
Available-for-sale:			
Equity securities	¥5,042	¥817	¥–
Total	¥5,042	¥817	¥–

Thousands of U.S. dollars

For the year ended March 31, 2015	Proceeds	Realized gains	Realized loss
Available-for-sale:			
Equity securities	$41,959	$6,798	$–
Total	$41,959	$6,798	$–

Millions of yen

For the year ended March 31, 2014	Proceeds	Realized gains	Realized loss
Available-for-sale:			
Equity securities	¥2,145	¥286	¥(9)
Total	¥2,145	¥286	¥(9)

7. Trade Notes

Trade notes receivable due at the end of the fiscal year were treated as settled on the date of maturity.

Trade notes receivable due at the end of the year at March 31, 2015 and 2014 was as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Trade notes receivable	¥737	¥–	$6,130

Certain consolidated subsidiaries used February year-end amount.

8. Inventories

Inventories at March 31, 2015 and 2014 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Finished goods, including merchandise	¥10,566	¥ 9,351	$ 87,929
Raw materials and supplies	19,406	15,898	161,487
Total	¥29,972	¥25,249	$249,416

9. Loss on Reduction of Property, Plant and Equipment

Under certain conditions, such as exchanges of building and structures for similar kinds and sales and purchases resulting from expropriation, Japanese tax regulations permit companies to defer the profit arising from such transactions by reducing the cost of the assets acquired or by providing a special reserve in the equity section.

The Company has chosen direct reduction entry; therefore, the amount directly deducted from the acquisition cost of property, plant and equipments at March 31, 2015 and 2014 was as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Buildings and structures	¥–	¥1,771	$–
Machinery and equipment	–	1,318	–
Total	¥–	¥3,089	$–

10. Short-term Bank Loans and Long-term Debt

The annual average interest rate applicable to the short-term bank loans was 0.90% for the year ended March 31, 2015.

Long-term debt at March 31, 2015 was as follows:

	Millions of yen	Thousands of U.S. dollars
Loans from banks	¥14,183	$118,021
Less current portion with annual average interest rate of 1.85%	(2,913)	(24,238)
Long-term debt, less current portion, due 2016 serially to 2021 with annual average interest rate of 1.86%	¥11,270	$ 93,783

Annual maturities of long-term debt at March 31, 2015, were as follows:

Year ending March 31	Millions of yen	Thousands of U.S. dollars
2016	¥ 2,913	$ 24,238
2017	2,823	23,488
2018	2,415	20,096
2019	2,254	18,757
2020	1,865	15,520
2021 and thereafter	1,913	15,922
Total	¥14,183	$118,021

11. Assets Pledged as Collateral

The carrying amounts of assets pledged as collateral for short-term bank loans of ¥42 million ($347 thousand) and ¥106 million as well as long-term bank loans of ¥6 million ($47 thousand) and ¥47 million at March 31, 2015 and 2014, respectively, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Cash and bank deposits	¥ –	¥ 368	$ –
Trade notes and accounts receivable	–	1,029	–
Finished goods, including merchandise	–	225	–
Raw materials and supplies	–	525	–
Buildings and structures	6	92	54
Machinery and equipment	–	325	–
Land	31	364	261
Other	–	151	–
Total	¥37	¥3,079	$315

The carrying amounts of assets pledged as collateral which have no corresponding obligation at March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Cash and bank deposits	¥ 154	¥–	$ 1,280
Trade notes and accounts receivable	1,512	–	12,579
Finished goods, including merchandise	309	–	2,571
Raw materials and supplies	954	–	7,942
Buildings and structures	89	–	739
Machinery and equipment	743	–	6,184
Land	388	–	3,228
Other	635	–	5,283
Total	¥4,784	¥–	$39,806

12. Net Defined Benefit Liability

The Group has lump-sum severance payment plans and contributory benefit pension plans as severance benefit plans.

The Company has a cash balance plan as a defined benefit pension plan. Certain foreign consolidated subsidiaries have a defined contribution pension plan.

In addition, for defined benefit corporate pension plans and lump-sum severance indemnity plans used by certain consolidated subsidiaries, net defined benefit liability and retirement benefit costs are calculated by the simplified method.

A. Defined benefit plans

(i) Reconciliation of projected benefit obligations at the beginning and the end of the fiscal year (except for the plan which applies the simplified method)

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Balance at beginning of year	¥3,609	¥3,637	$30,031
Cumulative effects of changes in accounting policies	(334)	–	(2,779)
Restated balance	3,275	3,637	27,252
Service costs	220	192	1,830
Interest costs	28	49	230
Actuarial differences	131	(37)	1,093
Benefits paid	(234)	(232)	(1,951)
Others	(4)	(0)	(26)
Balance at end of year	¥3,416	¥3,609	$28,428

(ii) Reconciliation of plan assets at the beginning and the end of the fiscal year (except for the plan which applies the simplified method)

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Balance at beginning of year	¥1,599	¥1,585	$13,307
Expected return on plan assets	27	26	220
Actuarial differences	(2)	(7)	(18)
Employer contributions	119	117	990
Benefits paid	(124)	(122)	(1,029)
Others	2	0	16
Balance at end of year	¥1,621	¥1,599	$13,486

(iii) Reconciliation of net defined benefit liability at the beginning and the end of the year based on simplified method

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Balance at beginning of year	¥1,395	¥1,322	$11,611
Net pension expense	107	167	892
Benefits paid	(177)	(94)	(1,472)
Balance at end of year	¥1,325	¥1,395	$11,031

(iv) Projected benefit obligation and plan assets at end of year and reconciliation of net defined benefit liability and net defined benefit asset recognized in the consolidated balance sheet

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Funded projected benefit obligations	¥3,809	¥4,008	$31,699
Plan assets	(1,822)	(1,812)	(15,160)
	1,987	2,196	16,539
Unfunded projected benefit obligations	1,134	1,209	9,434
Net amount of liability and asset recognized in consolidated balance sheet	3,121	3,405	25,973
Net defined benefit liability	3,121	3,405	25,973
Net defined benefit asset	–	–	–
Net amount of liability and asset recognized in consolidated balance sheet	¥3,121	¥3,405	$25,973

Note: The above included the plan which applies the simplified method.

(v) Net pension expense and its breakdown

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Service costs	¥220	¥192	$1,830
Interest costs	28	49	230
Expected return on plan assets	(26)	(26)	(220)
Amortization of net actuarial differences	73	158	608
Retirement benefit costs calculated based on simplified method	107	167	892
Net pension expense	¥402	¥540	$3,340

(vi) Remeasurements of defined benefit plans on other comprehensive income
The components of items recognized in remeasurements of defined benefit plans (pre-tax) were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Actuarial differences	¥(60)	¥–	$(502)

(vii) Remeasurements of defined benefit plans on accumulated other comprehensive income
The components of items recognized in remeasurements of defined benefit plans (pre-tax) were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Unrecognized actuarial differences	¥159	¥99	$1,324

(viii) Plan assets

(a) Percentage by major category of plans assets was as follows:

	2015	2014
Insurance assets (general account)	100.00%	100.00%

(b) Determination procedure of long-term expected rate of return on plan assets

In determining long-term expected rate of return on plan assets, the Group considers the current and projected asset allocations, as well as current and future long-term rate of returns for various categories of the plan assets.

(ix) Basis for calculation of actuarial assumptions

	2015	2014
Discount rates	0.60%	1.50%
Long-term expected rate of return on plan assets	1.60%	1.60%

B. Defined contribution pension plans

The amount to be paid by consolidated subsidiaries to the defined contribution pension plans was ¥127 million ($1,056 thousand) and ¥117 million for the years ended March 31, 2015 and 2014, respectively.

13. Income Taxes

The Company is subject to a number of different taxes based on income, which are corporation tax, inhabitant tax and enterprise tax.

The aggregate statutory tax rate on income before income taxes was approximately 35.4% and 37.8% for the years ended March 31, 2015 and 2014, respectively.

The significant components of deferred tax assets and liabilities at March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Deferred tax assets:			
Unrealized gain on inventories	¥ 244	¥ 307	$ 2,030
Enterprise tax payable	223	297	1,857
Accrued bonuses to employees	283	310	2,358
Net defined benefit liability	934	1,164	7,771
Accumulated depreciation	57	21	471
Impairment loss on property, plant and equipment	1,387	114	11,542
Losses on devaluation of short-term investments and investments in securities	481	553	4,006
Tax loss carryforwards	1,905	1,212	15,851
Other	1,280	1,150	10,652
Less valuation allowance	(4,043)	(2,329)	(33,642)
Total gross deferred tax assets	¥ 2,751	¥ 2,799	$ 22,896
Deferred tax liabilities:			
Unrealized holding gains on available-for-sale securities	5,916	4,087	49,235
Deferred gain on property, plant and equipment	354	373	2,943
Depreciation expenses of U.S. subsidiary	509	304	4,238
Reserve for special depreciation	728	395	6,060
Other	429	382	3,568
Total gross deferred tax liabilities	¥ 7,936	¥ 5,541	$ 66,044
Net deferred tax liabilities	¥(5,185)	¥(2,742)	$(43,148)

The deferred tax assets and liabilities of the consolidated subsidiary in a different tax jurisdiction are presented without offset on the accompanying consolidated balance sheets in accordance with Japanese accounting practice.

A reconciliation between the statutory tax rate and the actual effective tax rate for the year ended March 31, 2015 and 2014 is as follows:

	2015	2014
Statutory tax rate	35.4%	–%
Increase in valuation allowance	8.9	–
Tax rate differences of overseas subsidiaries	3.1	–
Other	0.4	–
Effective tax rate	47.8%	–%

The note for the year ended March 31, 2014 was omitted, because the difference between the statutory tax rate and the actual effective tax rate was less than or equal to 5% of the statutory tax rate.

(Revisions to amounts of deferred tax assets and deferred tax liabilities due to change in rate of income taxes)
On March 31, 2015, "Partial Amendment of the Income Tax Act" and "Partial Amendment of the Local Tax Law" were promulgated. Accordingly, for temporary differences expected to be reversed in the fiscal year beginning on April 1, 2015, the effective tax rate applied to the calculation of deferred tax assets and liabilities for this fiscal year, will be lowered from 35.4% in previous fiscal year to 32.8% for those expected to be collected or paid during the period from April 1, 2015 to March 31, 2016, and to 32.1% for those expected to be collected or paid on and after April 1, 2016, respectively.

As a result, the amount of deferred tax liabilities (after deducting deferred tax assets) decreased by ¥568 million ($4,728 thousand), while income taxes-deferred increased by ¥44 million ($369 thousand), unrealized holding gains on available-for-sale securities increased by ¥608 million ($5,059 thousand) and remeasurements of defined benefit plans increased by ¥4 million ($37 thousand) in the fiscal year ended March 31, 2015.

14. Financial Instruments and Related Disclosures

(1) Policy for financial instruments

Regarding fund operations, the Group invests in short-term deposits and low-risk financial assets. Derivatives are used, not for speculative purposes, but to manage exposure to foreign currency exchange risk.

(2) Nature and extent of risks arising from financial instruments and its risk management

Receivables such as trade notes and accounts receivable are exposed to customer credit risk. The Group manages its credit risk from receivables on the basis of internal credit exposure management guidelines, which include monitoring of payment term and balances of each customer to identify the default risk of customers on a routine basis.

Short-term investments and investments in securities, mainly consisting of equity or debt securities of customers and suppliers of the Group, are exposed to the risk of market price fluctuations. The fair value of those is recognized on a routine basis and reported to the Board of Directors.

Payment terms of most payables, such as trade notes and accounts payable, are less than one year.

The objectives of short-term bank loans and long-term debt are mainly to raise necessary fund for working fund and capital expenditures, respectively. The majority of loans are short-term bank loans with low interest rate fluctuation risk or fixed rate long-term debt.

The derivative transactions are conducted and managed in accordance with a company regulation which dictates rules for items including authorities and transaction amount limitation.

While receivables and debt loan are exposed to liquidity risk, the Group manages the risk through measures such as a monthly financial planning.

(a) Fair value of financial instruments

			Millions of yen
March 31, 2015	Carrying amount	Fair value	Unrealized gain/loss
(1) Cash and bank deposits	¥ 61,312	¥ 61,312	¥ –
(2) Trade notes and accounts receivable	34,977	34,977	–
Less allowance for doubtful accounts	(29)	(29)	–
	34,948	34,948	–
(3) Short-term investments and Investments in securities	87,269	87,269	–
Total	¥183,529	¥183,529	¥ –
(1) Trade notes and accounts payable	¥ 24,489	¥ 24,489	¥ –
(2) Short-term bank loans	7,652	7,652	–
(3) Long-term debt	14,183	14,793	610
Total	¥ 46,324	¥ 46,934	¥610

Thousands of U.S. dollars

March 31, 2015	Carrying amount	Fair value	Unrealized gain/loss
(1) Cash and bank deposits	$ 510,209	$ 510,209	$ –
(2) Trade notes and accounts receivable	291,062	291,062	–
Less allowance for doubtful accounts	(238)	(238)	–
	290,824	290,824	–
(3) Short-term investments and Investments in securities	726,215	726,215	–
Total	$1,527,248	$1,527,248	$ –
(1) Trade notes and accounts payable	$ 203,788	$ 203,788	$ –
(2) Short-term bank loans	63,680	63,680	–
(3) Long-term debt	118,021	123,098	5,077
Total	$ 385,489	$ 390,566	$5,077

Millions of yen

March 31, 2014	Carrying amount	Fair value	Unrealized gain/loss
(1) Cash and bank deposits	¥ 63,921	¥ 63,921	¥ –
(2) Trade notes and accounts receivable	33,098	33,098	–
Less allowance for doubtful accounts	(252)	(252)	–
	32,846	32,846	–
(3) Short-term investments and Investments in securities	79,043	79,043	–
Total	¥175,810	¥175,810	¥ –
(1) Trade notes and accounts payable	¥ 19,625	¥ 19,625	¥ –
(2) Short-term bank loans	5,273	5,273	–
(3) Long-term debt	14,110	13,955	(155)
Total	¥ 39,008	¥ 38,853	¥(155)

Assets

(1) Cash and bank deposits and (2) Trade notes and accounts receivable

The carrying amounts of cash and bank deposits and trade notes and accounts receivable approximate fair value because of their short maturities.

(3) Short-term investments and Investments in securities

The fair values of short-term investments and investments in securities are determined using the quoted price at the stock exchange for the equity instruments, and at the quoted price obtained from the financial institution for certain debt instruments. The carrying amounts of certificate of deposit approximate fair value because of their short maturities. The information of the fair value for short-term investments and investments in securities by classification is included in Note 6.

Liabilities

(1) Trade notes and accounts payable and (2) Short-term bank loans

The carrying amounts of trade notes and accounts payable and short-term bank loans approximate fair value because of their short maturities.

(3) Long-term debt

The carrying amounts of variable rate long-term debt approximate fair value because the interest payment is linked to the market interest rate. The fair values of fixed rate long-term debt were calculated by discounting the cash flows related to the amount of principal and interest at the borrowing rate assuming that the Company group receives loans under the same agreements.

Derivatives

As of March 31, 2015 and 2014, there were no derivative transactions regardless of the application of hedge accounting.

(b) Financial instruments whose fair value cannot be reliably determined

	Carrying amount		
	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Investments in equity instruments that do not have a quoted market price in an active market	¥9,677	¥9,191	$80,527

Impairment loss on unquoted equity securities for the year ended March 31, 2014 was ¥363 million.
Impairment loss on unquoted equity securities for the year ended March 31, 2015 was not recognized.

(c) Maturity analysis for financial assets and securities with contractual maturities

				Millions of yen
March 31, 2015	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and bank deposits	¥ 61,312	¥ –	¥ –	¥–
Trade notes and accounts receivable	34,977	–	–	–
Short-term investments and investments in securities with contractual maturities				
Available-for-sale:				
Debentures	–	8,935	10,640	–
Others	23,157	–	–	–
Total	¥119,446	¥8,935	¥10,640	¥–

				Thousands of U.S. dollars
March 31, 2015	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and bank deposits	$510,209	$ –	$ –	$–
Trade notes and accounts receivable	291,062	–	–	–
Short-term investments and investments in securities with contractual maturities				
Available-for-sale:				
Debentures	–	74,355	88,541	–
Others	192,702	–	–	–
Total	$993,973	$74,355	$88,541	$–

				Millions of yen
March 31, 2014	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due after ten years
Cash and bank deposits	¥ 63,921	¥ –	¥ –	¥ –
Trade notes and accounts receivable	33,098	–	–	–
Short-term investments and investments in securities with contractual maturities				
Available-for-sale:				
Debentures	304	3,465	13,380	412
Others	20,379	–	–	–
Total	¥117,702	¥3,465	¥13,380	¥412

15. Selling, General and Administrative Expenses

Major components of selling, general and administrative expenses for the years ended March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Shipping charges	¥5,918	¥5,310	$49,247
Salaries and allowances	2,039	1,924	16,971
Retirement benefit costs	159	194	1,320
Provision for bonuses to employees	336	325	2,795
Provision for bonuses to directors	80	77	663

16. Impairment loss

For the year ended March 31, 2015

The Group recorded the following impairment loss related to the consolidated subsidiaries, Maruichi Leavitt Pipe & Tube Company LLC and Maruichi Sun Steel Joint Stock Company. In principle, the Group conducts grouping of assets based on the reportable segment in consideration of the category used in management accounting, except for idle assets not being used for business purpose which are grouped by individual asset.

(1) Maruichi Leavitt Pipe & Tube Company LLC

	Millions of yen	Thousands of U.S. dollars
Construction in progress	¥1,319	$10,982

These assets were reviewed for impairment loss in accordance with the U.S. GAAP. Since the originally expected return was found to be difficult to achieve, the carrying values of these assets were written down to the net recoverable value and related losses were recognized as impairment loss.

Recoverable amount was measured by net selling value which was calculated by disposal value.

(2) Maruichi Sun Steel Joint Stock Company

	Millions of yen	Thousands of U.S. dollars
Buildings and structures	¥ 741	$ 6,166
Machinery and equipment	3,052	25,395
Goodwill	246	2,047
Total	¥4,039	$33,608

For building and structures as well as machinery and equipment, the originally expected returns were found to be difficult to achieve, while for goodwill, excess earning power forecasted at the stock acquisition was not expected. Therefore, the carrying values of these assets were written down to the net recoverable values and related losses were recognized as impairment loss. Recoverable amount was measured by value in use and discount rate was 10.0%.

For the year ended March 31, 2014

No impairment loss of property, plant and equipment or other assets were noted.

17. Contingencies

(1) As of March 31, 2015 and 2014, the Company had the following contingent liabilities

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Guarantees of bank loans to the Company's affiliate companies	¥494	¥433	$4,113
Trade notes discounted	–	52	–
Trade notes endorsed	45	40	371

(2) As of March 31, 2015 and 2014, the Company issued letters of awareness on an affiliate's management support to raise funds.

18. Net Assets

The Company is subject to the Law.

(i) Dividends

The Companies Act (the "Act") allows Japanese companies to pay dividends at any time during the fiscal year in addition to the yearend dividend upon resolution at the shareholders meeting. The Board of Directors may declare dividends (except for dividends in kind) if the company has prescribed so in its articles of incorporation. The Act permits Japanese companies to distribute dividends in kind (noncash assets) to shareholders subject to certain limitations and additional requirements. The Act also provides certain limitations on the amounts available for dividends and the purchase of treasury stock. The maximum amount that the Company can distribute as dividends is calculated based on the nonconsolidated financial statements of the Company in accordance with Japanese laws and regulations.

(ii) Common stock, reserve and surplus

The Act requires that an amount equal to 10% of dividends must be appropriated as a legal reserve (of retained earnings) or as additional paid-in capital (of capital surplus) depending on the equity account charged upon the payment of such dividends until the total of aggregate amount of legal reserve and additional paid-in capital equals 25% of the common stock. Under the Act, the total amount of additional paid-in capital and legal reserve may be reversed without the limitation threshold that the Act provided. The Act also provides that common stock, legal reserve, additional paid-in capital, other capital surplus and retained earnings can be transferred among accounts under certain conditions upon resolution of the shareholders.

(iii) Treasury stock

The Act provides for Japanese companies to repurchase/dispose of treasury stock just as the Act stipulates. The amount of treasury stock purchased cannot exceed the amount available for distribution to the shareholders, an amount which is determined by specific formula.

The movements of outstanding shares and cash dividends during the year ended March 31, 2015 were as follows:

(a) Number of outstanding shares and treasury stock

Type of shares	Balance at beginning of the year	Increase during the year	Decrease during the year	Balance at end of the year
Issued stock:				
Common stock	94,000,000	–	–	94,000,000
Treasury stock:				
Common stock	9,265,038	5,656	51	9,270,643

(b) Dividends paid to the shareholders during the year

Date of resolution	Resolution by	Type of shares	Aggregate amount	Amount per share	Date of record	Effective date
May 9, 2014	Board of Directors	Common stock	¥4,110 million ($34,199 thousand)	¥48.50 ($0.40)	Mar. 31, 2014	Jun. 26, 2014
Nov. 10, 2014	Board of Directors	Common stock	¥2,118 million ($17,628 thousand)	¥25.00 ($0.21)	Sep. 30, 2014	Nov. 28, 2014

Dividends applicable to the year ended March 31, 2015, but not recorded in the accompanying consolidated financial statements, since the effective date is subsequent to the fiscal year:

Date of resolution	Resolution by	Type of shares	Aggregate amount	Amount per share	Date of record	Effective date
May 12, 2015	Board of Directors	Common stock	¥3,940 million ($32,786 thousand)	¥46.50 ($0.39)	Mar. 31, 2015	Jun. 26, 2015

Note: Above cash dividends are distributed from retained earnings.

19. Stock Options

The stock options outstanding as of March 31, 2015 were as follows:

Stock option	Persons granted	Number of options granted	Date of grant	Vesting conditions and service period	Exercise period
2005 Stock option	5 directors	7,000	Jul. 7, 2005	No	Jul. 8, 2005 — Jun. 29, 2025
2006 Stock option	7 directors	11,100	Nov. 9, 2006	No	Nov. 10, 2006 — Nov. 9, 2026
2007 Stock option	7 directors	7,100	Sep. 10, 2007	No	Sep. 11, 2007 — Sep. 10, 2027
2008 Stock option	7 directors	7,800	Sep. 10, 2008	No	Sep. 11, 2008 — Sep. 10, 2028
2009 Stock option	6 directors	11,200	Sep. 8, 2009	No	Sep. 9, 2009 — Sep. 8, 2029
2010 Stock option	6 directors	12,500	Sep. 8, 2010	No	Sep. 9, 2010 — Sep. 8, 2030
2011 Stock option	6 directors	11,700	Sep. 8, 2011	No	Sep. 9, 2011 — Sep. 8, 2031
2012 Stock option	6 directors	14,000	Sep. 10, 2012	No	Sep. 11, 2012 — Sep. 10, 2032
2013 Stock option	6 directors	10,700	Sep. 9, 2013	No	Sep. 10, 2013 — Sep. 9, 2033
2014 Stock option	6 directors	10,600	Sep. 8, 2014	No	Sep. 9, 2014 — Sep. 8, 2034

The stock option activity was as follows:

	2005 Stock option	2006 Stock option	2007 Stock option	2008 Stock option	2009 Stock option	2010 Stock option	2011 Stock option	2012 Stock option	2013 Stock option	2014 Stock option
(Non-vested)										
March 31, 2014	–	–	–	–	–	–	–	–	–	–
Granted	–	–	–	–	–	–	–	–	–	10,600
Forfeited	–	–	–	–	–	–	–	–	–	–
Vested	–	–	–	–	–	–	–	–	–	10,600
March 31, 2015	–	–	–	–	–	–	–	–	–	–
(Vested)										
March 31, 2014	4,000	6,400	3,900	4,700	8,600	10,700	10,000	14,000	10,700	–
Vested	–	–	–	–	–	–	–	–	–	10,600
Exercised	–	–	–	–	–	–	–	–	–	–
Forfeited	–	–	–	–	–	–	–	–	–	–
March 31, 2015	4,000	6,400	3,900	4,700	8,600	10,700	10,000	14,000	10,700	10,600
Exercise price	¥1	¥1	¥1	¥1	¥1	¥1	¥1	¥1	¥1	¥1
Average stock price at exercise	–	–	–	–	–	–	–	–	–	–
Fair value price at grant date	–	¥2,281 ($18.98)	¥2,416 ($20.10)	¥2,431 ($20.23)	¥1,383 ($11.51)	¥1,391 ($11.58)	¥1,327 ($11.04)	¥1,188 ($9.89)	¥1,866 ($15.53)	¥2,135 ($17.77)

The assumptions used to measure fair value of 2014 Stock option are as follows:

Estimation method:	Black-Scholes option pricing model
Volatility of stock price:	27.7 %
Estimated remaining outstanding period:	10 years
Estimated dividend:	¥73.50 ($0.61) per share
Interest rate with risk free:	0.55 %

20. Research and Development Cost

The amounts of costs for the research and development activities of the Group for the years ended March 31, 2015 and 2014 were ¥143 million ($1,189 thousand) and ¥135 million, respectively.

21. Comprehensive Income

Reclassification adjustments and tax effect amounts of other comprehensive income for the years ended March 31, 2015 and 2014 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2015	2014	2015
Unrealized holding gains on available-for-sale securities			
Amount for the year	¥7,961	¥5,850	$66,244
Reclassification adjustment	(817)	(277)	(6,797)
Amount before tax effect	7,144	5,573	59,447
Tax effect amount	(1,830)	(1,825)	(15,224)
Unrealized holding gains on available-for-sale securities	5,314	3,748	44,223
Foreign currency translation adjustments			
Amount for the year	3,451	4,404	28,716
Foreign currency translation adjustments	3,451	4,404	28,716
Remeasurements of defined benefit plans			
Amount for the year	(133)	–	(1,110)
Reclassification adjustment	73	–	608
Amount before tax effect	(60)	–	(502)
Tax effect amount	21	–	178
Remeasurements of defined benefit plans	(39)	–	(324)
Share of other comprehensive income of affiliates and subsidiaries accounted for using equity method			
Amount for the year	572	960	4,755
Share of other comprehensive income of affiliates and subsidiaries accounted for using equity method	572	960	4,755
Total other comprehensive income	¥9,298	¥9,112	$77,370

22. Consolidated Subsidiaries

The Company's consolidated subsidiaries were as follows:

Name	Ownership Interest	Country of Incorporation
Maruichi Kohan Ltd.	91.1%	Japan
Hokkaido Maruichi Steel Tube Ltd.	100.0%	Japan
Shikoku Maruichi Steel Tube Ltd.	100.0%	Japan
Kyushu Maruichi Steel Tube Ltd.	100.0%	Japan
Alpha Metal Co., Ltd.	93.5%	Japan
Maruichi American Corporation	61.0%	United States of America
MKK USA Inc.	100.0%	United States of America
Maruichi Leavitt Pipe & Tube Company LLC	74.7%	United States of America
Maruichimex S.A. de C.V.	60.0%	Mexico
Maruichi Oregon Steel Tube, LLC	100.0%	United States of America
Maruichi Sun Steel Joint Stock Company	72.5%	Vietnam
Maruichi Sun Steel (Hanoi) Company Limited	100.0%	Vietnam
Maruichi Kuma Steel Tube Private Limited	70.0%	India

From the year ended March 31, 2015, Maruichimex S.A. de C.V. has been newly included in the scope of consolidation due to increase in materiality. Maruichi Oregon Steel Tube LLC, a newly established company during the year ended March 31, 2015, has been included in the scope of consolidation because it has a material impact to the consolidated financial statements.

23. Segment Information

(1) Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the Boards of Directors and corporate officers is being performed in order to decide how resources are allocated among the Company's group. The Group produces and sells mainly steel tubes, steel sheet coating, and so forth. The Company, domestic consolidated subsidiaries and overseas subsidiaries operate those businesses based on the regional comprehensive strategy designed by each company in each location.

Therefore, the Group's reportable segments consist of "Japan" "North America" and "Asia" based on the regional production and sales structure.

The principal products of each reportable segment are as follows.

(Japan)
Welded steel tubes for machine structure, construction and piping, hot dip galvanized steel sheet, lighting poles, etc.

(North America)
Welded steel tubes for machine structure, construction and piping, hot dip galvanized steel sheet, etc.

(Asia)
Welded steel tubes for machine structure, construction and piping, hot dip galvanized steel sheet, pre-painted steel sheet, etc.

(2) Methods of measurement for sales, profit (loss), assets, liabilities and other items of each reportable segment

Methods of measurement for sales, profit (loss), assets, liabilities and other items for each reportable segment is mainly equal to "2. Summary of Significant Accounting Policies." Intersegment sales or transfers are based on current market prices.

(3) Information regarding sales, profit (loss), assets, liabilities and other items of each reportable segment was as follows:

Millions of yen

	Reportable segment					
For the year ended March 31, 2015	Japan	North America	Asia	Total	Reconciliations	Consolidated
Sales:						
Sales to external customers	¥100,172	¥21,684	¥30,812	¥152,668	¥ –	¥152,668
Intersegment sales or transfers	1,032	–	–	1,032	(1,032)	–
Total	101,204	21,684	30,812	153,700	(1,032)	152,668
Segment profit (loss)	¥ 17,906	¥ (223)	¥ (46)	¥ 17,637	¥97	¥ 17,734
Segment assets	¥101,808	¥26,043	¥29,913	¥157,764	¥163,688	¥321,452
Other:						
Depreciation	¥ 2,700	¥ 1,004	¥ 2,312	¥ 6,016	¥ –	¥ 6,016
Amortization of goodwill	6	–	71	77	–	77
Increase in property plant and equipment and intangible assets	5,108	6,978	1,975	14,061	–	14,061

Thousands of U.S. dollars

For the year ended March 31, 2015	Reportable segment				Reconciliations	Consolidated
	Japan	North America	Asia	Total		
Sales:						
Sales to external customers	$833,583	$180,447	$256,405	$1,270,435	$ –	$1,270,435
Intersegment sales or transfers	8,589	–	–	8,589	(8,589)	–
Total	842,172	180,447	256,405	1,279,024	(8,589)	1,270,435
Segment profit (loss)	$149,004	$ (1,857)	$ (378)	$ 146,769	$ 809	$ 147,578
Segment assets	$847,201	$216,719	$248,916	$1,312,836	$1,362,142	$2,674,978
Other:						
Depreciation	$ 22,470	$ 8,352	$ 19,242	$ 50,064	$ –	$ 50,064
Amortization of goodwill	52	–	585	637	–	637
Increase in property plant and equipment and intangible assets	42,503	58,069	16,436	117,008	–	117,008

Millions of yen

For the year ended March 31, 2014	Reportable segment				Reconciliations	Consolidated
	Japan	North America	Asia	Total		
Sales:						
Sales to external customers	¥96,425	¥17,366	¥22,757	¥136,548	¥ –	¥136,548
Intersegment sales or transfers	578	–	–	578	(578)	–
Total	97,003	17,366	22,757	137,126	(578)	136,548
Segment profit	¥19,029	¥ 380	¥ 578	¥ 19,987	¥ 93	¥ 20,080
Segment assets	¥96,042	¥15,672	¥31,411	¥143,125	¥157,357	¥300,482
Other:						
Depreciation	¥ 2,734	¥ 839	¥ 1,624	¥ 5,197	¥ –	¥ 5,197
Amortization of goodwill	80	–	22	102	–	102
Increase in property plant and equipment and intangible assets	6,048	1,299	2,705	10,052	–	10,052

(4) Related information

(a) Information by goods and services

Millions of yen

For the year ended March 31, 2015	Steel tube	Steel sheet coating	Others	Total
Sales to external customers	¥118,011	¥27,409	¥7,248	¥152,668

Thousands of U.S. dollars

For the year ended March 31, 2015	Steel tube	Steel sheet coating	Others	Total
Sales to external customers	$982,038	$228,082	$60,315	$1,270,435

Millions of yen

For the year ended March 31, 2014	Steel tube	Steel sheet coating	Others	Total
Sales to external customers	¥109,005	¥19,812	¥7,731	¥136,548

(b) Information by region

Sales

Millions of yen

For the year ended March 31, 2015	Japan	North America	Asia · Oceania	Others	Total
Sales based on customer's location	¥97,778	¥23,571	¥30,308	¥1,011	¥152,668

Thousands of U.S. dollars

For the year ended March 31, 2015	Japan	North America	Asia · Oceania	Others	Total
Sales based on customer's location	$813,667	$196,147	$252,207	$8,414	$1,270,435

Millions of yen

For the year ended March 31, 2014	Japan	North America	Asia · Oceania	Others	Total
Sales based on customer's location	¥93,830	¥19,196	¥23,097	¥425	¥136,548

Property, plant and equipment

Millions of yen

March 31, 2015	Japan	North America	Asia	Total
Property, plant and equipment	¥55,146	¥14,925	¥17,195	¥87,266

Thousands of U.S. dollars

March 31, 2015	Japan	North America	Asia	Total
Property, plant and equipment	$458,900	$124,203	$143,087	$726,190

Millions of yen

March 31, 2014	Japan	North America	Asia	Total
Property, plant and equipment	¥52,843	¥9,219	¥19,572	¥81,634

(c) Information by principal customers

Of the sales to external customers, there are no customers to whom the sales exceed 10% of the net sales on the consolidated statements of income for the years ended March 31, 2015 and 2014, therefore, this information is omitted.

(5) Information about impairment loss of property, plant and equipment by reportable segment

For the year ended March 31, 2015

Millions of yen

March 31, 2015	Japan	North America	Asia	Total
Impairment loss of property, plant and equipment	¥–	¥1,319	¥4,039	¥5,358

Thousands of U.S. dollars

March 31, 2015	Japan	North America	Asia	Total
Impairment loss of property, plant and equipment	$–	$10,982	$33,608	$44,590

For the year ended March 31, 2014

No impairment loss of property, plant and equipment by reportable segment were noted.

(6) Information about amortization and unamortized balance of goodwill by reportable segment

Millions of yen

March 31, 2015	Japan	North America	Asia	Elimination/ Corporate	Total
Balance at end of the year	¥4	¥1,007	¥–	¥–	¥1,011

Thousands of U.S. dollars

March 31, 2015	Japan	North America	Asia	Elimination/ Corporate	Total
Balance at end of the year	$33	$8,382	$–	$–	$8,415

Millions of yen

March 31, 2014	Japan	North America	Asia	Elimination/ Corporate	Total
Balance at end of the year	¥10	¥–	¥315	¥–	¥325

Note: Information about amortization of goodwill is omitted since similar information is disclosed in Note 23 "Segment Information (3)."

24. Business Combinations

Maruichi Oregon Steel Tube, LLC, a consolidated subsidiary of the Company, acquired structural tube division of EVRAZ Oregon Steel, a subsidiary of EVRAZ Inc. NA in Portland, Oregon, the United States.

(1) Outline of the transactions

(a) Name and business of acquired company
Acquired company: Evraz Oregon Steel
Line of business: Structural tube division

(b) Main reasons for the business combination
Maruichi American Corporation, a subsidiary of the Company in Los Angeles, has been supplying steel tube in the Northwest region of the United States. This acquisition will enable the Company to offer better services in this market including Canada.

(c) Date of business combination
March 5, 2015

(d) Legal form of the business combination
Business transfer by cash

(e) Name of the entity after the business combination
Maruichi Oregon Steel Tube, LLC

(f) Main reason for deciding on the acquiring company
Business transfer by cash

(2) Period of acquired company's financial results included in the consolidated statements

The balance sheet as of March 5, 2015, when the business combination was completed, was included in consolidation.

(3) Acquisition cost of the acquired company

	Millions of yen	Thousands of U.S. dollars
Consideration for acquisition (cash)	¥6,207	$51,652
Expenses directly related to acquisition	–	–
Acquisition cost	¥6,207	$51,652

(4) Amount of goodwill, reason for recognizing goodwill, amortization method and amortization period

(a) Amount of goodwill
¥1,007 million ($8,382 thousand)

(b) Reason for recognizing goodwill
Goodwill was recognized based on future excess earning power expected with the future business development.

(c) Method and term to amortize goodwill
Straight-line method over 10 years

(5) Amounts of assets acquired as of the date of the business combination

	Millions of yen	Thousands of U.S. dollars
Current assets	¥ 936	$ 7,792
Long-term assets	4,264	35,478
Total assets	¥5,200	$43,270

(6) Amounts allocated to intangible assets other than goodwill, their breakdown by major category, and weighted average amortization period by total and major category

Category	Millions of yen	Thousands of U.S. dollars	Weighted average amortization period
Assets related to the customers	¥603	$5,016	15 years
Others	60	501	8 years
Total	¥663	$5,517	14 years

(7) Estimated amounts and their calculation method of impact on the consolidated statements of income for the year ended March 31, 2015, assuming that the business combinations had been completed on the commencement date of the fiscal year

The Company is not estimating the impact as obtaining any of information required to calculate from the beginning of the current fiscal year is impracticable since the Company acquired only a part of business.

25. Subsequent Events

Resolution of dividends

At the meeting of the Board of Directors of the Company held on May 12, 2015, the following appropriations were resolved:

	Millions of yen	Thousands of U.S. dollars
Cash dividends of ¥46.50 ($0.39) per share	¥3,940	$32,786

Directory

(As of March 31, 2015)

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•Tachibana Plant:
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•Head Office:
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•Head Office:
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Okinawa Maruichi Ltd.

•Head Office:
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•Head Office:
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•Head Office:
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Maruichi Oregon Steel Tube, LLC (MOST)

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Maruichi Sun Steel (Hanoi) Company Limited

•Head Office:
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J-Spiral Steel Pipe Co., Ltd.

•Head Office:
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Investor Information

(As of March 31, 2015)

Name of the Company	Maruichi Steel Tube Ltd.
Address of Registered Office	9-10, 3 Chome, Kitahorie, Nishi-ku, Osaka 550-0014, Japan
Capital	¥9,595,152,375
Date of Establishment	December 18, 1947
Number of Employees	2,057 (Consolidated basis)

Board of Directors & Audit & Supervisory Board Member (As of June 25, 2015)

Hiroyuki Suzuki	Representative Director, Chairman & CEO
Yoshinori Yoshimura	Representative Director, President & COO
Daiji Horikawa	Director
Yoshitaka Meguro	Director
Kenjiro Nakano	Director
Shozo Suzuki	Standing Audit & Supervisory Board Member
Masuo Okumura	Audit & Supervisory Board Member
Sonoko Matsuo	Audit & Supervisory Board Member
Tatsuhiko Yano	Audit & Supervisory Board Member

Managing Officers (As of June 25, 2015)

Hiroyuki Suzuki	Chairman Managing Officer & CEO
Yoshinori Yoshimura	President Managing Officer & COO
Daiji Horikawa	Vice President Managing Officer
Yoshitaka Meguro	Senior Managing Officer, Tokyo Office
Teruyuki Horikawa	Senior Managing Officer, Nagoya Office
Yukio Iwasaki	Senior Managing, Officer, Tokyo Plant
Shinji Fuji	General Manager, Sakai Point, Osaka Plant & Quality Assurance Dept.
Keito Nakano	General Manager, Business Dept.
Yasuyuki Sakai	General Manager, Deputy Director of Maruichi Sun Steel Joint Stock Company
Takeshi Takeuchi	General Manager, Office of the President
Yoichiro Okano	General Manager, MP Development & ISO Dept.
Minoru Kadono	General Manager, Equipment Technology Dept.
Yasuo Kawamua	General Manager, Finance Dept.
Shunsaku Honda	General Manager, Deputy Director of Maruichi Leavitt Pipe & Tube, LLC
Shinichi Ishimatsu	General Manager, Administration Dept.

Major Shareholders

Shareholder	Number of shares (thousand)	Percentage of total shares issued (%)
JFE Steel Corporation	4,337	4.61
Yoshimura Holdings Limited	4,000	4.26
Sumitomo Mitsui Banking Corporation	3,900	4.15
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,886	4.13
Japan Trustee Services Bank, Ltd. (Trust account)	3,031	3.23
Japan Trustee Services Bank, Ltd. (JFE Steel trust account)	3,003	3.19
Seiji Yoshimura	2,696	2.87
The Master Trust Bank of Japan, Ltd.	2,195	2.34
NIPPON STEEL & SUMITOMO METAL CORPORATION	2,000	2.13
CBHK-CHINA STEEL CORPORATION	2,000	2.13

Other than the above, the Company possesses 9,270 thousand shares (9.86%) of treasury stock.

Shareholder Reference Information

Closing Date of Accounts: March 31
Annual General Meeting: Late June

•Record Date:
The shareholders who should exert the right of shareholders at the Annual General Meeting of Shareholders shall be those registered as such with voting rights in the final register of shareholders as of March 31 every year.

•Stock Exchange:
Tokyo Stock Exchange 1st Section

•Place of Transfer:
Transfer Agent Division

•Media of Public Notice:
Electronic Public Notice at our home page, or Nihon Keizai Shimbun (daily newspaper)

MARUICHI STEEL TUBE LTD.

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