

July 1st, 2015

Fuwa Metal Co., Ltd.
Kyoyei Co., Ltd.
Shimabun Corporation

Fuwa Metal, Kyoyei and Shimabun Form Alliance in the Steel Scrap Business

Fuwa Metal Co., Ltd., Kyoyei Co., Ltd. and Shimabun Corporation hereby announce that the three companies have reached an agreement on alliance (hereinafter called FKS alliance) in their steel scrap businesses on June 29th, 2015.

1. Purposes of FKS Alliance

The three companies have agreed to ally to increase customer satisfaction and to enhance competitiveness, by utilizing resources of each company effectively.

FKS alliance aims to boost confidence in the steel scrap industry, and to contribute to the entire steel industry.

2. Approaches of FKS Alliance

The three companies have 37 scrap yards throughout Japan collectively, of which 21 are equipped with loading berths. FKS alliance is to use these yards more flexibly and effectively, and the first approaches are as follows:

(1) Establishment of supply network to meet customer requirement

The total handling capacity of FKS alliance is considered to be big enough to guarantee stable supply of steel scrap to customers. The three companies have agreed to establish efficient supply network so that FKS alliance can meet quality and delivery requirements from existing customers.

(2) Joint use of scrap yards for more competitiveness in cost

The three companies have agreed to use scrap yards throughout Japan jointly. It enhances the competitiveness of FKS alliance in terms of costs.

3. Profiles of Allied Companies

Company Name	Fuwa Metal Co., Ltd.	Kyoyei Co., Ltd.	Shimabun Corporation
Location of headquarters	1-4-4 Sennichimae, Chuo-ku, Osaka, Osaka	2-3-9, Sakaemachi-dori, Chuo-ku, Kobe, Hyogo	4-2-7, Iwayanaka-machi, Nada-ku, Kobe, Hyogo
CEO	Yuji Kurokawa	Yoshinobu Kori	Kensuke Kitani
Business areas	- Processing, sales and trading of steel scrap	- Processing and sales of steel scrap - Demolition and construction of buildings - Steel mill services	- Processing and sales of steel scrap and steel products - Steel mill services - Demolition of facilities and buildings
Paid-up capital	JPY10 million	JPY49 million	JPY65.5 million
Year of establishment	1908	1927	1909
Year of incorporation	1950	1941	1949
Non-consolidated Revenue (2014)	JPY24.5 billion	JPY60.8 billion	JPY72.3 billion

For more information, please contact:

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