

Domestic Industry Presentation

Clad Steel Plate from Japan (Third Review)

Sunset Review Hearing

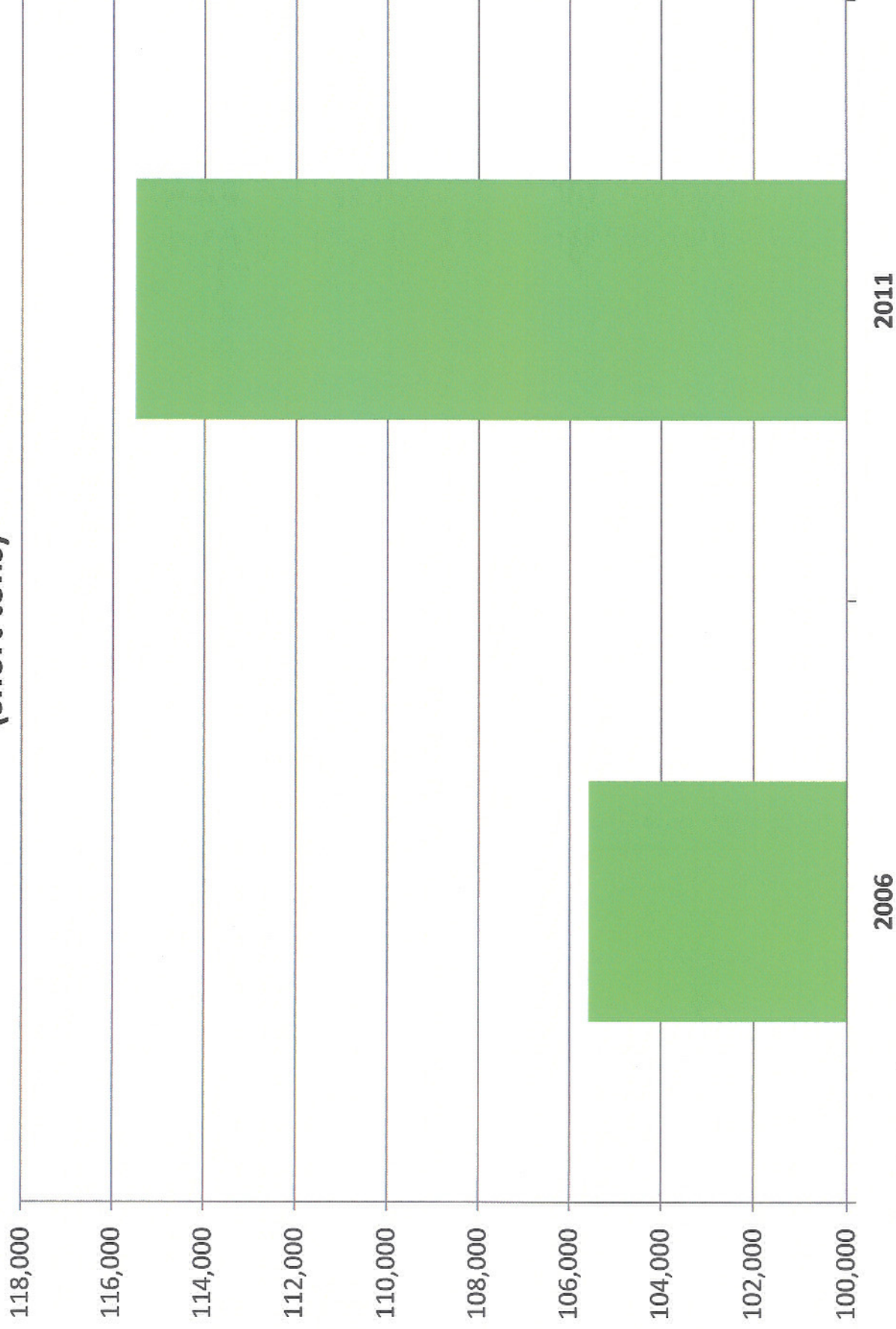
December 6, 2012

Kelley Drye & Warren

Georgetown Economic Services

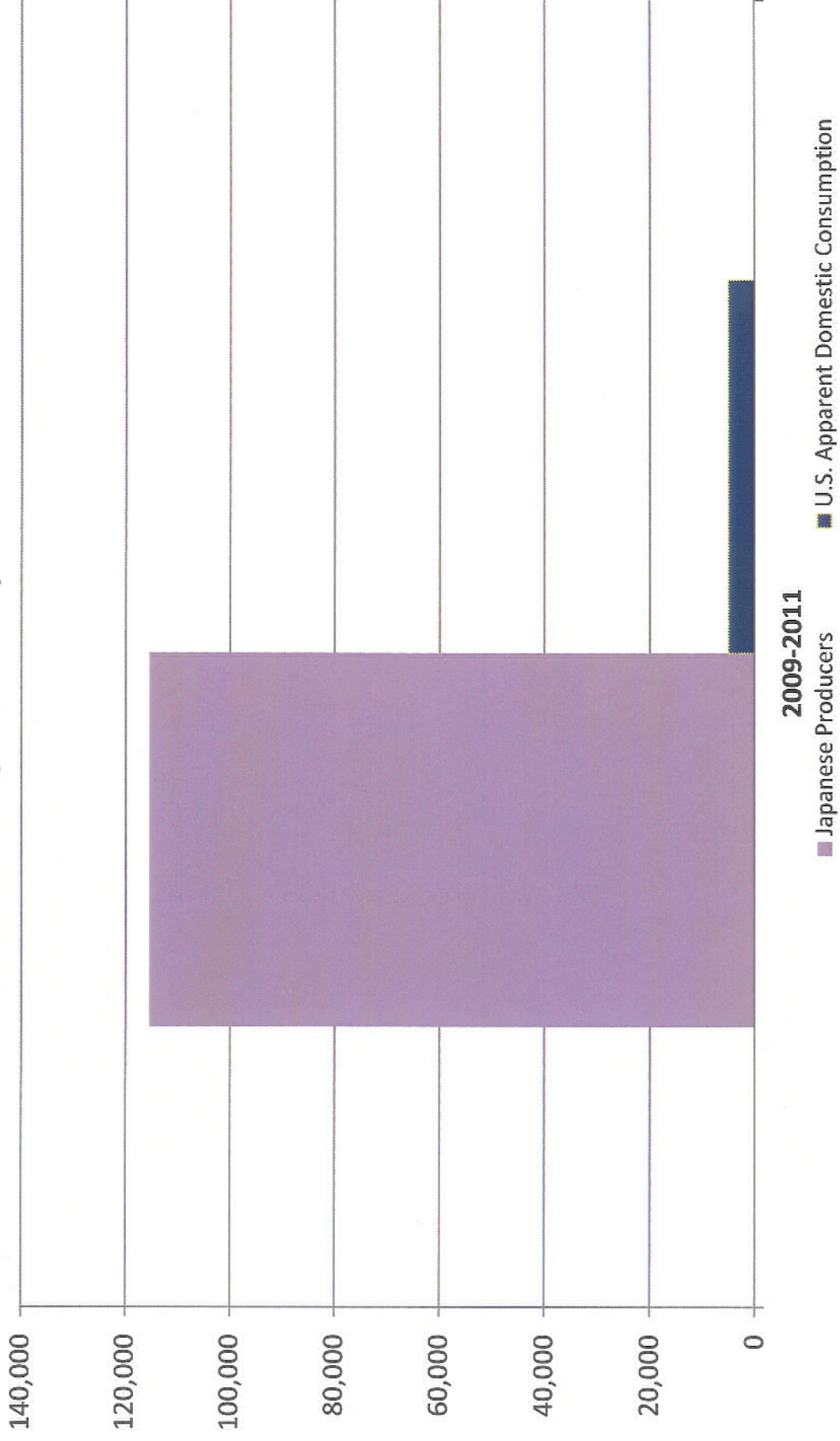
Clad Steel Plate Capacity in Japan (short tons)

Slide 1



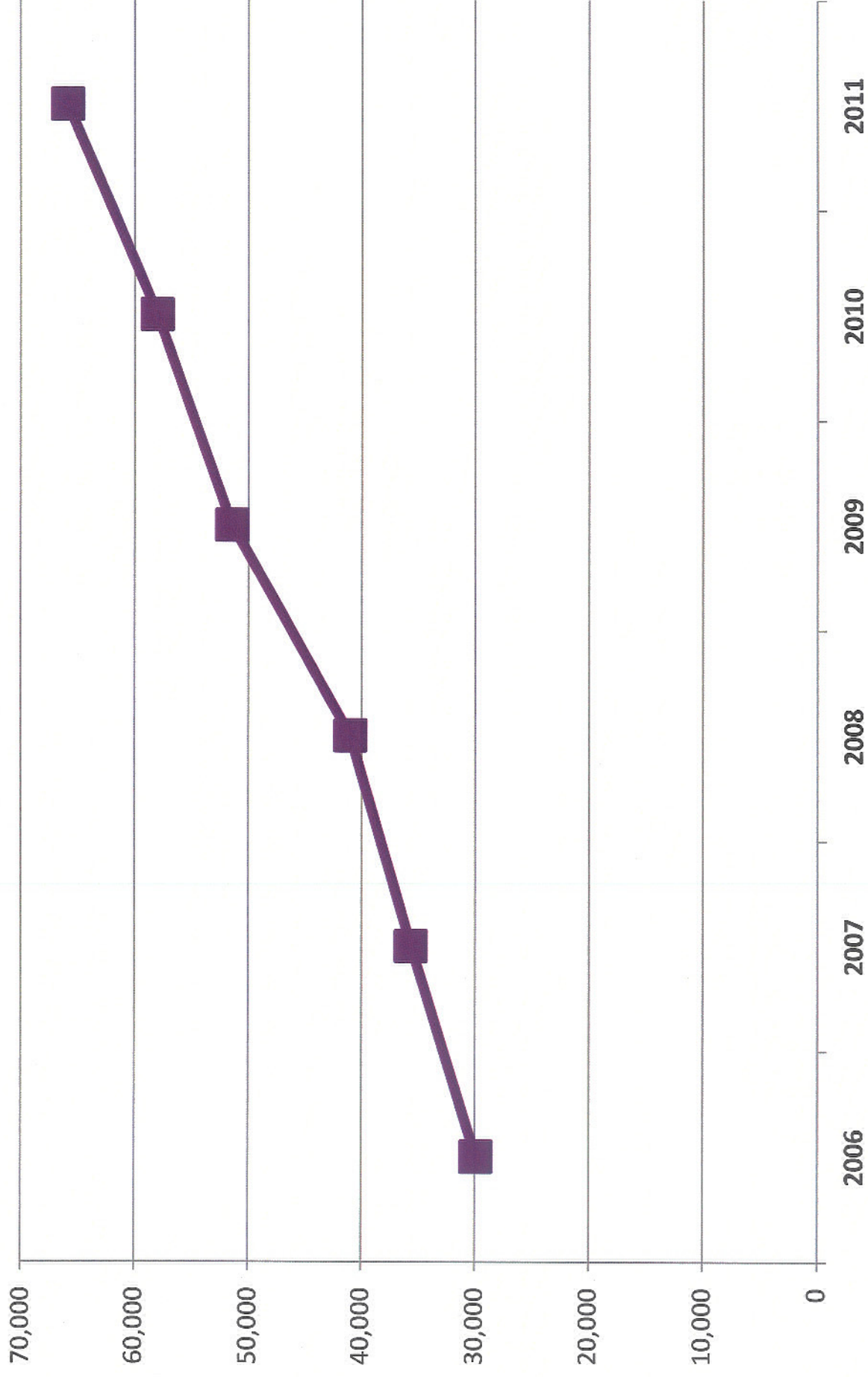
Source: ITC Prehrg. Rep. at IV-5.

Clad Steel Plate Capacity in Japan vs. U.S. Demand (short tons)



Source: ITC Prehrg. Rep. at I-24 and IV-5. Data represent averages over the 3-year period.

Unused Clad Steel Plate Capacity in Japan (short tons)



Source: ITC Prehrg. Rep. at IV-5.

“JFE Steel to Double Plate Sales for Energy by F2014”

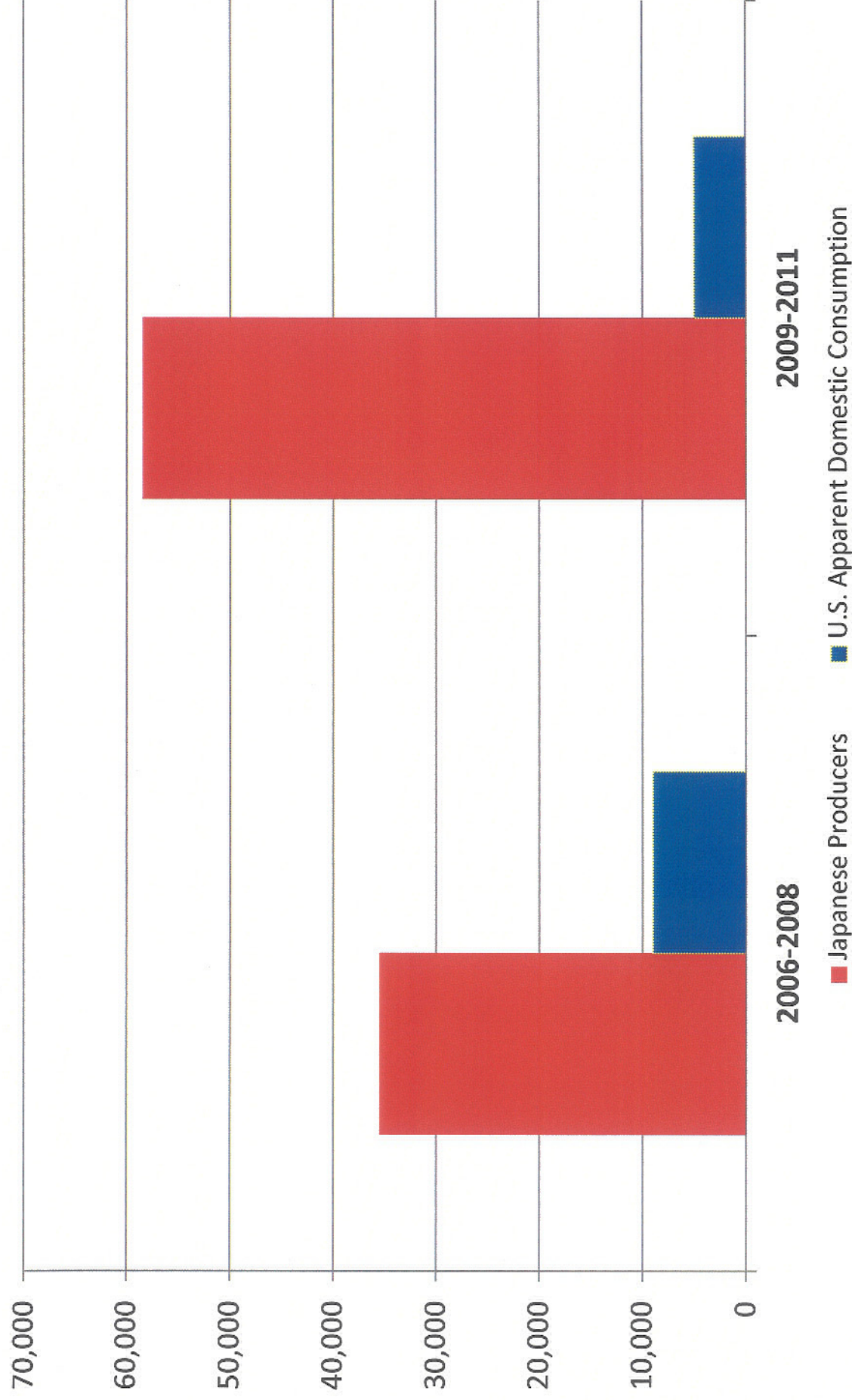
“The world No. 3 clad steel maker with monthly 2,000-3,000 tonnes of output capacity eyes 5,000 tonnes of capacity to follow growing demand.”

Source: Japan Metal Bulletin (May 9, 2012) (included in Domestic Industry Prehearing Brief at Exhibit 8).

Unused Clad Steel Plate Capacity in Japan vs.

U.S. Demand

(short tons)



Source: ITC Prehrg. Rep. at I-24 and IV-5. Data represent averages over the 3-year period.

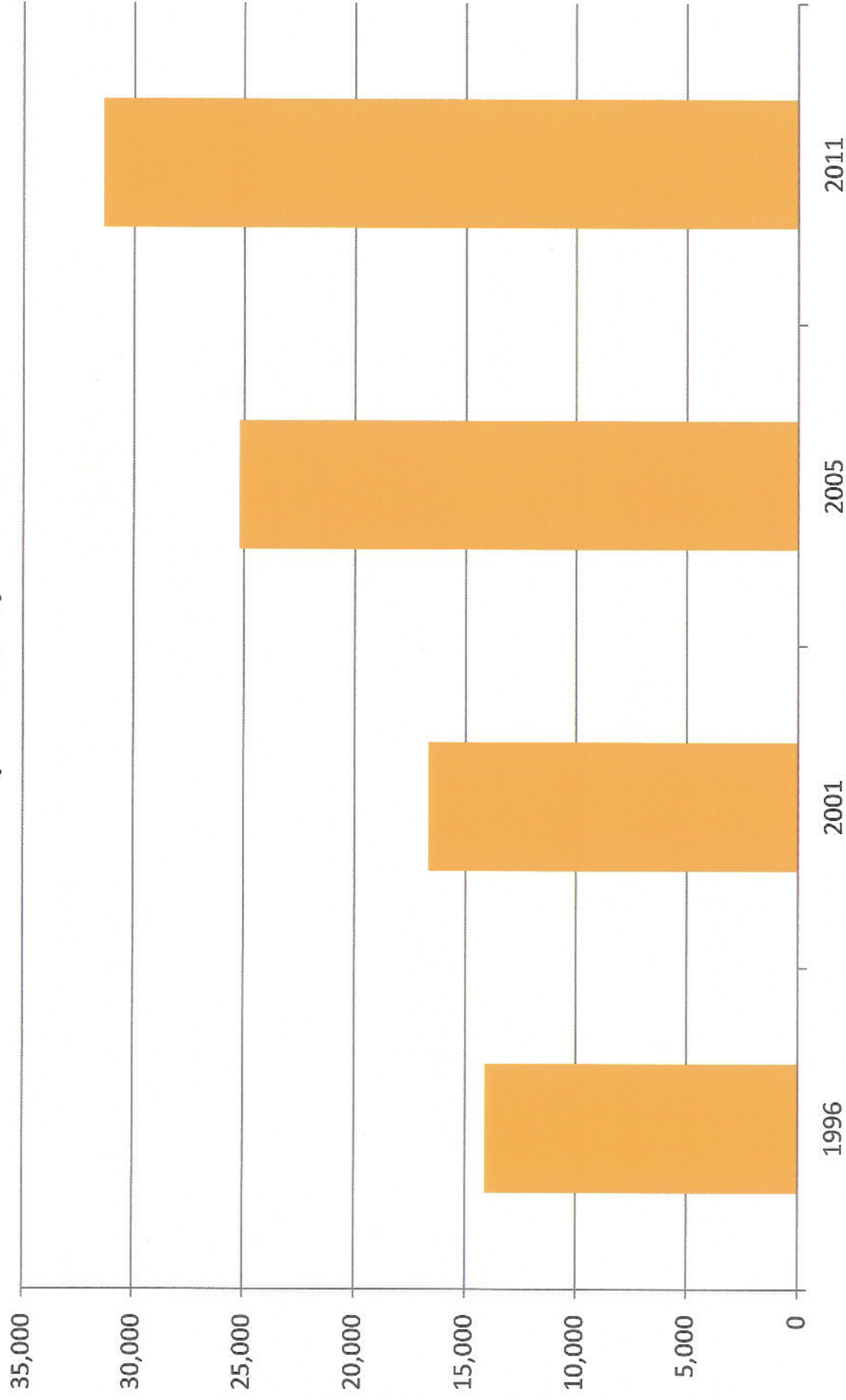
JSW's Basic Strategies

- “Expand sales of clad steel plate & pipes and wind turbine systems by taking advantage of demand trends.”
- “Reinforce price-competitiveness through construction of global alliances.”
- *”Raise capacity utilization rate to make full use of state-of-the-art production equipment.”*

Source: JSW 2012 Annual Report at 7.

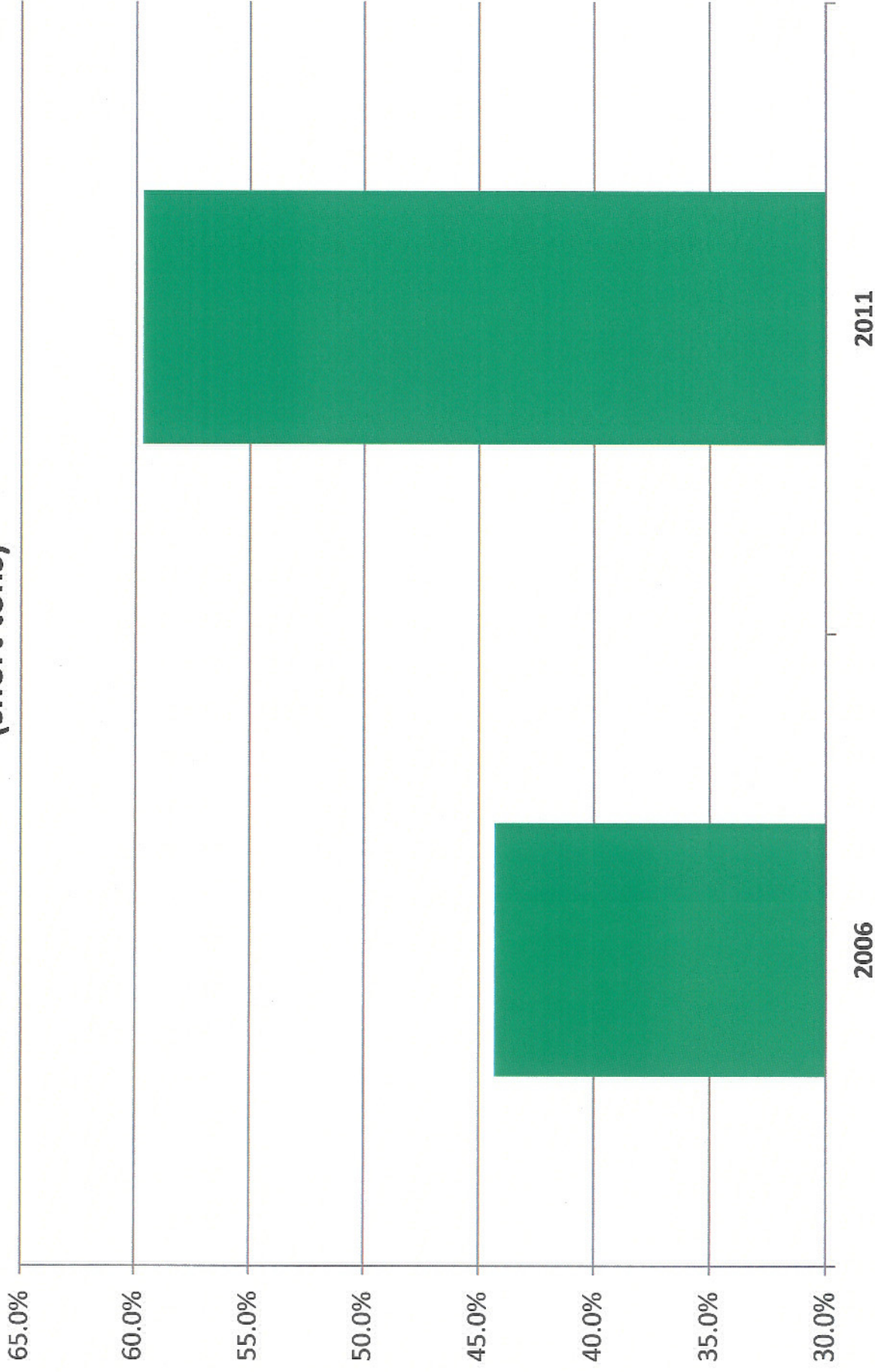
Clad Steel Plate Exports from Japan (short tons)

Slide 7



Source: ITC Prehrg. Rep. at IV-9 and Clad Second Review at I-24.

Japanese Producers' Clad Steel Plate Exports as a Share of Total Shipments (short tons)



NSSC's Export Orientation

“Our overseas export of heavy plate has risen 30% to 40% and is steadily increasing . . . it is also part of our overall strategy.”

Source: Stainless Steel World, July/August 2010 (included in Domestic Industry Prehearing Brief at Exhibit 14).

Asahi's Interest in U.S. Market

“Asahi Kasei is the leading supplier of explosion bonded composites in Asia, Oceania, and other markets, and has a growing share of the market in Europe and the U.S.”

Source: Asahi-Kasei Chemicals Corporation, “What is Baclad,” (included in Domestic Industry Prehearing Brief at Exhibit 13).

Clad steel plate: Exports from Japan, 2006-11

Item	2006	2007	2008	2009	2010	2011
Korea	17,368	14,301	11,991	13,088	18,213	25,900
Taiwan	2,514	951	601	250	893	1,522
Thailand	432	1,176	1,301	1,054	1,067	916
Malaysia	1,064	476	345	513	686	721
India	1,540	3,415	1,405	1,240	3,430	572
UAE	2,920	1,814	2,079	103	165	570
China	1,459	4,346	2,913	1,188	1,193	355
Vietnam	*	482	*	*	129	321
Kuwait	*	*	540	99	83	192
Italy	265	302	266	163	44	74
Hong Kong	43	*	*	37	46	69
Saudi Arabia	704	548	10	11	925	56
Indonesia	28	161	336	46	96	39
Egypt	*	*	*	4	*	36
Canada	215	930	353	228	47	13
Singapore	*	302	158	299	33	11
United States	107	245	239	96	152	6
Germany	*	*	4	*	3	4
Argentina	*	19	*	*	*	*
Bahrain	153	*	355	*	29	*
Bangladesh	*	*	51	1,547	24	*
Belgium	*	*	*	34	*	*
Brazil	*	*	*	30	141	*
Czech Republic	*	1	*	*	*	*
Finland	50	116	127	18	65	*
France	*	*	*	*	67	*
Mexico	252	*	*	*	*	*
Netherlands	15	26	*	3	*	*
Panama	*	20	*	*	*	*
Peru	269	*	*	*	*	*
Qatar	1,128	1,128	*	*	*	*
Spain	*	*	8	*	*	*
Serbia	*	1	*	*	*	*
United Kingdom	*	*	*	*	*	*
Uruguay	*	*	*	40	*	*
World	30,526	30,761	23,081	20,091	27,535	31,376

* None reported.

Note: The data reported above may contain some nonsubject product.

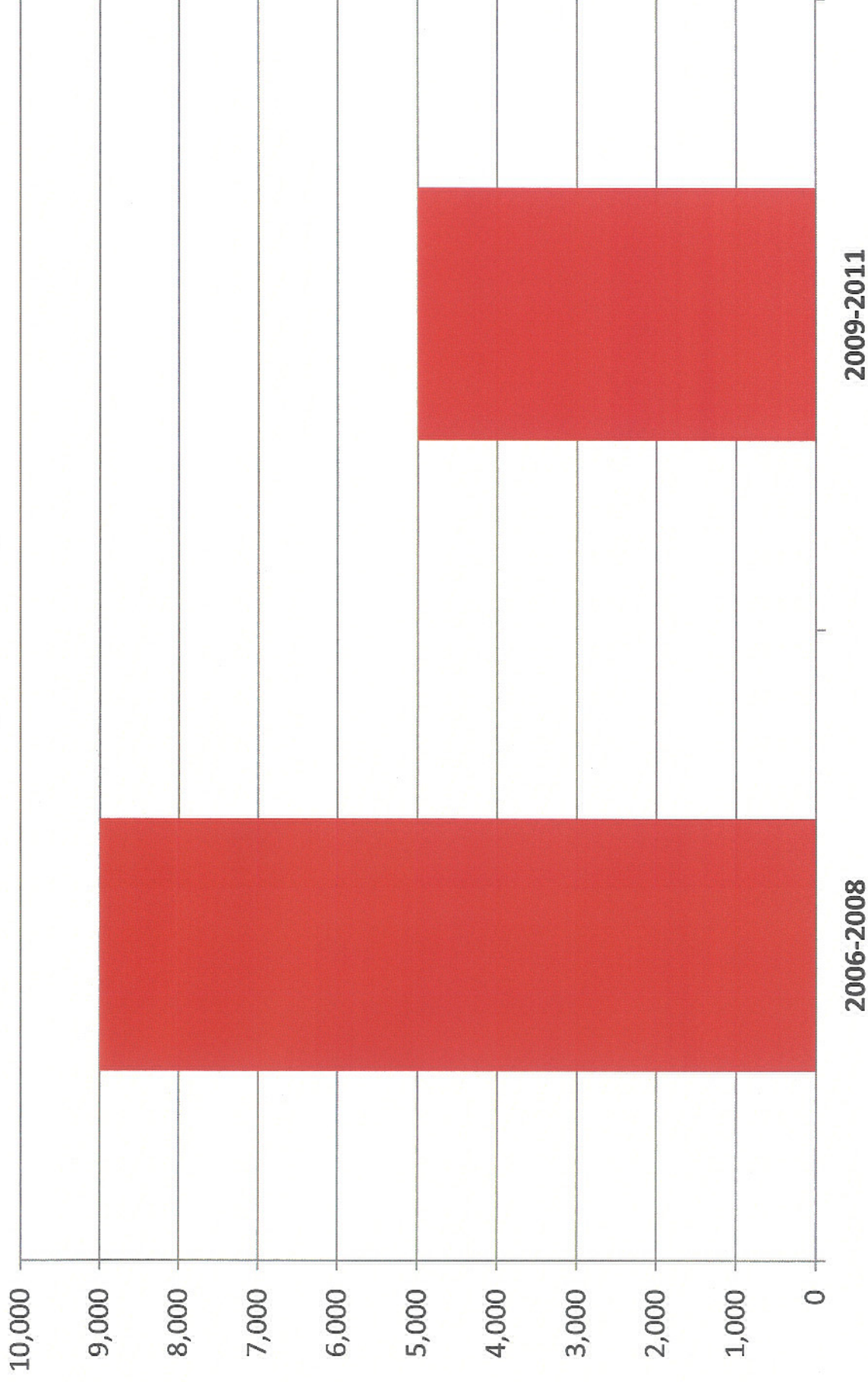
Source: Global Trade Atlas for HTS 7210.90.10 (ITC Prehrg. Rep. at IV-9).

Importance of Price

- Price is a “very important” factor to 9 of 12 purchasers.
- Price is identified as one of the top 3 purchasing factors by all but one purchaser.
- The lowest-priced product is “usually” or “sometimes” purchased by 8 of 11 purchasers.

Source: ITC Prehrg. Rep. at II-13-II-14.

U.S. Demand for Clad Steel Plate (short tons)



Source: ITC Prehrg. Rep. at I-24.

Table IV-4
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