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IV. BUSINESS SITUATION

A. General Situation of Business:

The period between April and September of 1950 was extremely important in the Japanese iron and steel industries. With the third slash of subsidies on iron and steel effected since the Government undertook a gradual abolishment of these subsidies in July, 1949, a brisk rise in the prices of iron and steel was brought about. A gradual decline of the purchasing power of the iron and steel consuming industries was anticipated notwithstanding the enormous latent demands.

In June, 1950, subsidies on steel materials were completely abolished. Manufacturers and consumers of steel materials were mutually severely affected by the abolishment. As a result of the decline in effective demands, the reduction of profits for manufacturers consuming steel materials was seen as inevitable in view of the price hike on these materials.

Uncertainty in the market situation brought down the production of steel materials in July. In this connection, the company was no exception.

Furthermore, price and ration controls were lifted simultaneously, ushering a free market for the first time in ten years. The aftermath was furious sales competition among the makers.

However, with the outbreak of the Korean war in the latter part of June, the shifting international situation has stimulated the iron and steel mart, bringing a sudden increase for steel materials and finished steel products in both the domestic and overseas markets. Since August, it even became necessary to step up greatly the production of steel materials. The situation was thereby completely changed. Market prices which were not conspicuously high up to the end of September brought instances in which prices exceeded market quotations in the wake of rise of raw material prices.

The outlook is now bright. The important problem today is rather how to increase production to meet demands. Industrial circles have spurred further towards the trend of rationalizing their enterprises which they were undertaking in the previous period by improving facilities or modernizing them through installation of new equipment.

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At this juncture, the company announced price quotations of its products which took into consideration the consumers market situation and margin of profit. In this manner, it entered the free market. It proceeded to cut down wastage of materials in processing, step up the quality of its products, reduce unit cost of production, etc. in an effort to rationalize its enterprise.

Efforts at the same time were exerted to expand its domestic and overseas markets. This resulted in an active demand for the company's entire list of products in the export, special demands and domestic markets. It was possible to achieve a record turnover that surpassed expectations. Thus, the company's production volume for the first half of fiscal 1950 (April through September) rose by approximately 30 percent in steel sheet, 40 percent in steel hoop, 40 percent in galvanized iron sheet, and 20 percent in cold rolled steel hoop in comparison to the latter half of fiscal 1949 (October through March). The exception was in drum which registered a drop of about 40 percent. Orders received also showed considerable increase in all items. The average monthly sales turnover for the current period (April through September) averaged ¥320,000,000 which constitutes an increase of 49 percent over the previous period. Taking the entire employees, the average per capita output value amounted to about ¥210,000 which was 45 percent greater than the corresponding value of the previous period.

Programs which were being undertaken in connection with the mechanization of rolling mill processes and incidental constructions were completed in September, and production is now rolling on full blast. The company is further taking steps to rationalize its enterprise by the attainment of a still higher technical improvement and renovation of facilities. These efforts are being made in response particularly to the present domestic and overseas demands.

B. Production Situation:

1. In keeping with this year's national production plan of 2,500,000 tons of ordinary steel materials, the company has exerted its utmost efforts to contribute its share towards this achievement. As a result, the company's output compared with the previous half year period of fiscal 1949 was boosted by 72 percent in primary products (steel sheet, steel hoop) and 80 percent in secondary

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products (galvanized iron sheet, drum, cold rolled steel hoop). Especially noteworthy is the fact that in the first half year period of fiscal 1950, the production of galvanized iron sheet got into full swing so that it exceeded the output over the corresponding period of the previous year by as much as 256 percent.

Affected by the condition of the market at the beginning of the year, drum output decreased by 18 percent when compared with the output of the corresponding period in the previous year. But with the outbreak of Korean war, the market became animated since the end of September which demanded considerable production increase. The achievement of the goal of output set up to meet this demand is steadily nearing.

Electric power shortage in the first half year period of fiscal 1950 limited steel manufacturing operations. It made the suspension of operation of the sheet bar and billet mill unavoidable. The typhoon "Kezia" which swept through Yamaguchi Prefecture in the latter part of September did negligible damage to the company's plants and there was no hitch to production.

2. Product and their uses:

Item	Producible Dimentional Range (in millimeter) Thickness	Width	Length	Principal Uses
Ordinary steel sheet	0.23-2.90	Up to 915	Up to 2,440	Galvanized iron sheet, drum, materials for secondary products, motor-car, machinery, tools, etc.
Ordinary steel plate	3.00-6.00	Up to 1,525	Up to 3,050	Shipbuilding, rolling stock, machinery, motor-car, etc.
Special steel plate	1.60-6.00	Up to 1,525	Up to 3,050	Circular saw, etc.

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Ordinary steel hoop	0.80-5.00	50-160		Materials for cold rolled steel hoop, welded pipe, bicycle, etc.
Special steel hoop	0.80-2.00	50-160		Materials for cold rolled steel hoop, band saw, etc.
Cold rolled ordinary steel hoop	0.10-2.50	15-160		Electro-welded tube, bicycle, and hinge.
Cold rolled special steel hoop	0.10-2.50	15-160		Band-saw, various types of spring, etc.
Galvanized iron sheet	0.23-1.60	Up to 915	Up to 2,440	Buildings, etc.
Drum	Capacities: 200-liter 170-liter			Crude petroleum, carbide, caustic soda, etc.

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3. Recent production record:

Classification	Ord. Steel Plate (ton)	Ord. Steel Sheet (ton)	Sp. Steel Plate (ton)	Ord. Steel Hoop (ton)	Sp. Ste Hoop (t
1st Quarter, 1949:					
Quota	1,320	6,420	80	4,410	200
Production	1,888	6,921	84	4,704	376
Percentage	143.0%	107.8%	105.0%	106.7%	188.0%
2nd Quarter:					
Quota	1,300	7,885	90	6,570	295
Production	100	8,211	-	6,725	306
Percentage	7.7%	104.1%	-	102.4%	103.7%
3rd Quarter:					
Quota	1,634	9,010	110	7,636	468
Production	1,808	8,952	3	6,528	26
Percentage	116.0%	99.4%	2.7%	85.5%	5.6%
4th Quarter:					
Quota	1,300	12,300	100	8,000	444
Production	835	10,738	-	8,494	485
Percentage	64.2%	87.3%	-	106.2%	110.2%
Total:					
Quota	5,554	35,615	380	26,616	1,007
Production	4,631	34,822	87	26,451	1,193
Percentage	80.8%	97.8%	22.9%	99.4%	118.5%
Percentage against total production	5.9%	44.5%	0.1%	33.8%	1.5%

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Steel (ton)	Sp. Steel Hoop (ton)	Ingot (ton)	Sheet Bar and Billet (ton)	Galv. Iron Sheet (ton)	Drum (can)	Cold Rolled Hoop (ton)
10	200	320	-	345	9,352	202
04	376	344	734	545	8,397	290
06.7%	188.0%	107.5%	-	121.1%	89.7%	143.6%
70	295	300	-	1,000	23,268	283
25	306	476	382	988	23,290	403
02.4%	103.7%	158.7%	-	98.8%	100.1%	142.4%
36	468	870	-	1,578	25,760	420
28	26	442	-	988	26,273	406
25.5%	5.6%	50.8%	-	62.6%	102.0%	96.7%
00	444	200	-	2,200	19,969	541
4	485	22	371	1,826	19,092	469
06.2%	110.2%	11.0%	-	83.0%	95.6%	86.7%
16	1,007	1,690	-	5,323	78,349	1,539
31	1,193	1,284	1,487	4,347	77,052	1,567
09.4%	118.5%	76.0%	-	61.7%	98.3%	101.8%
13.8%	1.5%	1.6%	1.9%	3.1%	2.0%	5.6%

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1st Quarter, 1950:					
Schedule	2,550	9,317	100	11,500	85
April	1,809	3,333	105	4,103	35
May	671	3,521	-	4,412	64
June	830	3,595	-	4,081	293
Total	3,310	10,449	105	12,596	392
Percentage	129.8%	112.1%	105.0%	109.5%	461.2
2nd Quarter:					
Schedule	1,515	10,405	0	8,800	0
July	628	4,040	-	875	75
August	-	4,685	-	4,412	-
September	1,353	3,616	26	3,958	-
Total	1,981	12,341	26	9,245	75
Percentage	130.7%	118.6%	-	105%	-
Percentage against total production	9.3%	39.8%	0.2%	38.2%	0.8
3rd Quarter:					
Schedule	1,920	9,241	80	12,620	0
October	564	4,120	42	4,641	11
November	-	3,977	-	4,510	-
December	1,470	3,976	54	4,859	-
Total	2,034	12,073	96	14,010	11
Percentage	105.9%	130.6%	120.0%	111.0%	-

4. Extent of factory operation:

The extent of factory operation in the production of principal products in the peak production year and recent years has varied as follows:

Product	Nominal Annual Capacity	Peak Production Year		
		Year	Production	Operation Perct.
Steel sheet	110,000 tons	1936	47,448 tons	47.4%
Steel plate	45,000 tons	1936	30,925 tons	68.2%
Steel hoop	60,000 tons	1936	36,327 tons	60.5%
Steel ingot	10,000 tons	1944	5,998 tons	60.0%
Sheet bar and billet	45,000 tons	1944	10,069 tons	22.4%
Galvanized iron sheet	12,000 tons			
Drum	400,000 cans	1940	121,081 cans	30.3%

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85	0	0	2,280	12,600	650
35	-	-	893	4,831	144
64	77	-	572	3,928	149
293	60	-	653	2,604	251
392	137	-	2,118	11,363	544
461.1%	-	-	94.6%	90.1%	83.7%
0	360	0	2,274	14,300	650
75	346	-	229	1,730	90
-	-	-	744	5,613	119
-	-	-	834	7,586	274
75	346	-	1,807	14,929	483
-	96.1%	-	79.4%	104.3%	74.3%
0.8%	0.8%	-	6.9%	1.5%	1.8%
0	500	0	2,660	26,600	600
11	-	-	1,024	10,042	379
-	188	-	1,131	10,626	468
-	440	-	1,006	9,557	369
11	628	-	3,161	30,225	1,216
-	125.6%	-	118.8%	113.6%	202.7%

l products
:

on Year		Fiscal 1949		1st Half of Fiscal 1950	
eration	Perct.	Production	Perct.	Production	Percentage
	47.4%	34,909 tons	34.9%	22,790 tons	41.43%
	68.2%	4,631 tons	10.3%	5,422 tons	24.09%
	60.5%	27,644 tons	46.1%	22,308 tons	74.36%
	60.0%	1,284 tons	12.8%	483 tons	9.66%
	22.4%	1,487 tons	3.3%		
				3,925 tons	65.52%
	30.3%	77,052 cans	19.3%	26,292 cans	13.15%

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It is observed from the above table that the extent of operation drastically increased during the first half of fiscal 1950 (April through September). Since the modernization of steel sheet rolling mill was completed in the latter part of August, its reflection in the output was practically negligible. Actually speaking, however, an adequate increase is recorded. Exceptions were in drum and steel ingot which registered slight declines during the similar period resulting from fluctuation in market demands. Operational percentage for steel sheet prior to fiscal 1949 is computed on basis of the previous nominal capacity of 100,000 tons per annum.

5. Production value per employee:

Month	Total Output	No. of Employees	Output per Capita	Percentage
Ave. for latter half, fiscal 1949 (Oct. - Mar.)	¥207,193,640	1,479	¥140,090	100%
Fiscal 1950:				
April	341,730,243	1,513	225,862	161%
May	272,204,492	1,521	178,964	128%
June	303,245,904	1,541	196,785	140%
July	246,313,064	1,533	160,684	115%
August	220,434,153	1,525	144,547	103%
September	319,565,435	1,524	209,689	150%
Average	283,915,548	1,526	186,052	133%
October	330,230,811	1,541	214,296	153%
November	364,158,910	1,540	236,467	169%
December	412,236,119	1,554	265,274	189%

Note: All computations in the table are based on production cost.

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6. Pre-war, war-time, and recent production trends of principal p

Item	Unit	1936 (A)	1943 (B)	1949 (C)	1950 Apr.- Dec (D)
Steel sheet	Ton	47,448	27,526	34,909	30,255
Steel plate	"	30,925	24,435	4,631	8,028
Steel hoop	"	36,327	21,451	27,644	35,524
Drum	Can	121,081 (1940)	118,540	77,052	50,032
Galvanized iron sheet	Ton			4,347	6,808
Total	"	119,024	77,646	73,856	82,376

Note:

a. Galvanized iron sheet excluded in computation of percentages for "D/A" and "D/B" columns.

b. Weight of drum based on 28 drums to a ton.

C. Acceptance of Orders:

1. Domestic demands:

Item	Order	2nd Half, Fiscal 1949 (10/49-3/50)	April	May	First June
Ordinary steel sheet	Incoming	16,551 tons	4,582	3,725	3,806
	Outstanding	4,447 "	5,063	5,509	3,832
Special steel plate	Incoming	468 "	46	5	238
	Outstanding	95 "	64	38	8
Ordinary steel hoop	Incoming	18,375 "	1,978	3,151	3,811
	Outstanding	6,390 "	4,695	3,422	1,693

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...s of principal products:

1949 (C)	1950 Apr.-Dec. (D)	D/A	D/B	D/C
34,909	30,255	86.5%	149.1%	111.5%
4,631	8,028	31.3	39.6	209.2
27,644	35,524	136.9	291.8	179.8
77,852	50,032	69.9	71.4	109.8
4,347	6,808			224.7
73,856	82,376	94.9%	145.4%	152.9%

...computation of
...s.

...o a ton.

	First Half of Fiscal 1950						First 3-month, Second Half of Fiscal 1950		
...l	May	June	July	August	Sept.	Total	Oct.	Nov.	Dec.
...2	3,725	3,806	2,815	7,099	4,024	26,051	4,833	3,084	3,804
...3	5,509	3,832	3,885	8,145	6,072	6,072	6,834	7,693	7,552
...4	5	238	120	215	93	717	142	6	0
...5	38	8	94	186	232	232	287	131	131
...8	3,151	3,811	951	2,849	9,268	22,008	4,744	7,252	2,165
...9	3,422	1,693	1,775	4,324	9,265	9,265	8,203	12,162	9,505

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Special steel hoop	Incoming	268	tons	20	0	0	83
	Outstanding	0		0	0	0	0
Drum	Incoming	47,670	cans	4,410	4,142	9,165	3,555
	Outstanding	7,075	"	4,830	4,137	8,266	8,002
Galvanized iron sheet	Incoming	2,462	tons	151	351	564	778
	Outstanding	1,215	"	534	612	192	125
Cold rolled steel hoop	Incoming	780	"	86	252	137	57
	Outstanding	143	"	58	209	174	61
Total receipt		40,428	"	7,004	7,617	8,849	4,918

Note: Sudden decrease of incoming orders in July is attributed to result of earlier speculative purchases.

2. Export and special demands:

Item	Order	2nd Half, Fiscal 1949 (10/49-3/50)	First Half of				
			April	May	June	July	
Ordinary steel sheet	Incoming	0	0	0	300	0	
	Outstanding	0	0	0	0	0	
Ordinary steel hoop	Incoming	0	1,000	1,000	0	300	
	Outstanding	0	0	1,000	1,000	1,300	1,
Drum (Sp. demand)	Incoming	0	0	0	0	0	13,
	Outstanding	0	0	0	0	0	13,
Galvanized iron sheet	Incoming	3,645	0	0	1,170	312	2,
	Outstanding	125	0	0	1,170	1,426	2,

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20	0	0	83	5	10	118	134	29	20
0	0	0	0	0	0	0	94	34	38
10	4,142	9,165	3,555	4,802	0	26,074	24,243	500	6,000
30	4,137	8,266	8,002	9,957	5,271	5,271	18,122	7,206	10,356
51	351	564	778	787	470	3,101	884	1,095	1,144
34	612	192	125	373	198	198	220	289	142
86	252	137	57	110	500	1,142	277	559	281
58	209	174	61	81	420	420	321	471	422
04	7,617	8,849	4,918	11,219	14,365	53,972	11,790	12,041	7,606

July is attributed to
es.

First Half of Fiscal 1950						
1	May	June	July	August	Sept.	Total
0	0	300	0	150	0	450
0	0	0	0	0	0	0
0	1,000	0	300	600	0	1,900
0	1,000	1,000	1,300	1,900	0	0
0	0	0	0	13,000	6,000	19,000
0	0	0	0	13,000	13,182	13,182
0	0	1,170	312	2,050	5,036	8,568
0	0	1,170	1,426	2,408	5,086	5,086

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D. Sales Situation:

1. Sales channel:

The company's products are sold to domestic and overseas markets through designated wholesalers (head offices and branches) and exporters listed in the following table which also indicates their transactions against total sales in a recent 6-month period (April - September, 1950):

Name of Company	Location of Head Office	Business Volume	Products Handled
Iwai Sangyo Company, Limited	Osaka	55.9%	Steel sheet, steel hoop, cold rolled steel hoop, drum, galvanized iron sheet, and other secondary products.
Kano & Company, Limited	Nagoya	21.3	Steel sheet, steel hoop, cold rolled steel hoop, etc.
Tsukiboshi Shoji Company, Limited	Osaka	4.4	Galvanized iron sheet, steel sheet, steel hoop, etc.
Nambu Kogyo Company, Limited	Tokyo	4.[illegible]	Steel sheet, steel hoop, cold rolled steel hoop, drum, etc.
Kinoshita & Company, Limited	Tokyo	2.1	Steel sheet, steel hoop, drum, galvanized iron sheet.
Okaya Kozai Company, Limited	Nagoya	2.0	Steel sheet, steel hoop.
Eiichi Katayama & Company, Limited	Osaka	1.9	Galvanized iron sheet.
Waida Tetsumise Company, Limited	Osaka	1.8	Steel sheet, steel hoop, cold rolled steel hoop, etc.

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Heisaburo Tanaka & Company, Limited	Osaka	1.1	Steel sheet, steel hoop.
Naigai Tsusho Company, Limited	Osaka	0.8	Galvanized iron sheet.
Daiwa Shoji Company, Limited	Osaka	0.8	Galvanized iron sheet.
Nissho Company, Limited	Osaka	0.5	Steel sheet, steel hoop
Others		3.4	

2. Principal consumers:

Listed below are the principal consumers classified according to itemized list of products sold through channel of authorized dealers:

Item	Consumer
Steel sheet	Osaka Steel Sheet Manufacturing Co., Ltd. Nichia Iron and Steel Company, Limited Kobe Steel Works, Limited Toyo Kogyo Company, Limited Nippon Seikan Company, Limited Toyota Motor Car Company, Limited Hattori Manufacturing Company, Limited Azuma Kogyo Company, Limited Tokuyama Soda Company, Limited Ube Kosan Company, Limited West Japan Heavy Industries Company, Ltd. Hitachi Works, Limited Toyo Soda Company, Limited Nippon Petroleum Company, Limited Asahi Glass Company, Limited

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Steel hoop	Sanki Kogyo Company, Limited Nippon Pipe Manufacturing Company, Ltd. Nisshin Pipe Manufacturing Co., Ltd. Tokyo Conduit Company, Limited Araya Kogyo Company, Limited Takasago Tekko Company, Limited Piken Kogyo Company, Limited Mikuni Steel Belt Manufacturing Co., Ltd. Daido Kogyo Company, Limited
Cold rolled steel hoop	Mikame Kinzoku Kogyo Company, Limited Maizuru Rolling Stock Company, Ltd. Toyo Bearing Company, Limited Miyabayashi Kogyo Company, Limited Shibamura Fender Company, Limited Okamoto Kogyo Company, Limited Marugen Saw Manufacturing Company, Ltd. Kyodo Kinzoku Kogyo Company, Limited Okashima Pipe Company, Limited Towa Fender Company, Limited Asahi Kinzoku Company, Limited
Galvanized iron sheet	Governmental offices and general consumers
Drum	Nippon Petroleum Company, Limited Toyo Koatsu Company, Limited Mitsubishi Petroleum Company, Limited Koa Petroleum Company, Limited Ube Kosan Company, Limited Tokuyama Soda Company, Limited Kyowa Yeast Company, Limited

Destinations for export are the Philippines, Australia, Argentina, Hongkong, Africa, Tsingtao, United States and the South Seas area.

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3. Sales record:

Classification	Ord. Steel Sheet (ton)	Ord. Steel Plate (ton)	Ord. Steel Hoop (ton)	Sp. St Hoop (
Second half of fiscal 1949 (10/49 - 3/50)	22,047	2,396	15,952	623
Fiscal 1950				
April	3,494	1,296	3,473	39
May	2,671	513	4,624	-
June	4,218	1,253	5,540	51
Total	10,383	3,062	13,637	90
July	2,421	341	869	315
August	2,273	566	300	9
September	5,326	771	4,827	15
Total	10,020	1,678	5,996	339
October	3,604	667	5,806	40
November	2,060	165	3,293	79
December	3,377	568	4,822	16
Total	9,041	1,400	13,921	135
Grand Total	29,444	6,140	33,554	564

4. Sales value per employee:

Monthly	Gross Sales	No. of Employees	Sales per Capita
Average sales for 2nd half of fiscal 1949 (Oct. - Mar.)	¥220,045,263	1,479	¥148,780
Fiscal 1950:			
April	265,767,999	1,513	175,570
May	340,487,176	1,521	223,857
June	279,058,289	1,541	181,089
July	436,369,700	1,533	284,650
August	243,882,953	1,525	159,923
September	403,534,362	1,524	264,786
October	318,985,778	1,541	206,999
Monthly average	¥326,869,653	1,528	¥213,920

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...l. Steel ...n (ton)	Sp. Steel Hoop (ton)	Galv. Iron Sheet (ton)	Drum (can)	Cold Rolled Hoop (ton)
...,952	623	2,479	38,650	789
...,473	39	863	6,655	162
...,624	-	273	4,835	102
...,540	51	942	5,836	173
...,637	90	2,078	17,326	437
869	315	845	3,819	170
300	9	539	2,847	88
...,827	15	645	10,504	153
...,996	339	2,029	17,170	411
...,806	40	862	11,392	376
...,293	79	1,026	11,416	409
...,822	16	1,291	2,850	330
...,921	135	3,179	25,658	1,115
...,554	564	7,179	60,154	1,963

Sales per Capita	Percentage
$148,780	100%
175,570	118
223,857	150
181,089	122
284,650	191
159,923	107
264,786	178
206,999	139
$213,920	149%

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5. Fluctuations in the prices of principal products:

Item	Unit	Former Ceilings Producers' Price	Former Ceilings Subsidy	Market Quotations July-Aug.	Market Quotations Aug.-Sept.
Steel sheets:					
0.35 mm x 3' x 6'	Ton	¥43,025	¥9,000	¥45,500	¥47,000
1.60 mm x 3' x 6'	"	33,465	7,600	32,000	35,000
Steel plate, 3.2 mm x 3' x 6'	"	33,325	6,800	31,200	32,500
Steel hoop, 1.2 mm x 51-125 mm	"	35,625	8,900	35,200	36,400
Cold rolled steel hoop, 1.2 mm x 90 mm	"	32,800	-	33,000	33,500
Galvanized iron sheet, 0.4 mm x 3' x 6'	"	48,460	-	55,500	61,000
Drums:					
200-liter, welded	Can	1,550	-	1,700	2,000
200-liter, seamed	"	1,350	-	1,600	1,900

In view of the complete abolishment of subsidies on steel materials at the end of June, 1950 and simultaneous lifting of all controls on these materials, the company came forward to announce the foregoing quotations which included increments to compensate for but not wholly the subsidy abolishment. It is feasible to undertake this disproportionately smaller price hike by stepping up the efficiency of facilities.

But with the effects brought about by the outbreak of Korean war and consequent international situation, the price quotations for August and September exceeded the old official prices. Prices further continued to rise step by step in October and November.

6. Export and special demands situation:

As a result of revisions of iron and steel prices effected after iron and steel subsidies were slashed in January, 1950,

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domestic prices of these items rose by about 30 percent in contrast to the fairly large drop registered on the same items in Europe. Consequently very little export orders were materialized during the earlier part of this period. But since July, the entire picture has changed. Orders have poured in from abroad, the volume rising still further in August and September.

Following the outbreak of hostilities in Korea, production, particularly in steel sheet and galvanized iron sheet, has declined in the heretofore chief steel materials producing countries of Europe and the United States. For this reason, the Philippines and Australia, which are still the chief steel materials purchasing countries, have come to depend heavily on Japan for the importation of these materials.

Accordingly, the company has undertaken a policy of devoting a large portion of its steel sheet production capacity towards export with the steady execution of the rationalization program.

As to special demands, orders up to the present are limited to drums, they cannot be described as having had any large direct effect on the company. Orders contracted for export and special demands are as follows:

Month	Item	Quantity	Destination
May, 1950	Steel hoop	1,000 tons	Argentina
June	Steel sheet	300 "	Dairen
	Galvanized iron sheet	736 "	Australia
	Galvanized iron sheet	342 "	United States
	Galvanized iron sheet	85 "	Hongkong
	Galvanized iron sheet	7 "	Singapore
July	Steel hoop	300 "	Argentina
	Galvanized iron sheet	242 "	Australia
	Galvanized iron sheet	40 "	Hongkong
	Galvanized iron sheet	30 "	Africa
August	Steel hoop	600 "	Argentina
	Steel plate	150 "	Tientsin

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August	Drum	13,000 cans	Special demands
	Galvanized iron sheet	2,000 tons	Philippines
	Galvanized iron sheet	50 "	Australia
September	Drum	6,000 cans	Special demands
	Galvanized iron sheet	2,482 tons	Australia
	Galvanized iron sheet	1,775 "	Philippines
	Galvanized iron sheet	300 "	Egypt
	Galvanized iron sheet	239 "	Hongkong
	Galvanized iron sheet	200 "	United States
	Galvanized iron sheet	30 "	Singapore
	Galvanized iron sheet	10 "	Colombo
Total	Galvanized iron sheet	8,568 tons	
	Steel hoop	1,900 "	
	Steel sheet	300 "	
	Steel plate	150 "	
	Drum	19,000 cans	

E. Raw materials and other materials situation:

1. Demand situation:

	I t e m					
Classification	Sheet Bar (ton)	Slab (ton)	Billet (ton)	Coal (ton)	Heavy Oil (liter)	Power (KWH)
Stock as of April 1, 1950	3,868	2,394	4,593	1,543	793	0
First Quarter:						
Requirement	15,000	3,750	15,000	6,800	750,000	6,766,000
Receipt	15,241	2,845	14,405	6,620	150,000	3,859,100
Consumption	12,790	3,416	14,638	6,788	150,401	3,859,100

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Stock as of June 30, 1950	6,319	1,823	4,360	1,375	392	0
Second Quarter:						
Requirement	15,000	3,750	15,000	7,000	750,000	6,454,000
Receipt	12,251	2,443	8,530	7,038	570,000	3,540,100
Consumption	13,009	2,717	9,534	6,015	567,399	3,540,100
Stock as of Sept. 30, 1950	5,561	1,549	3,356	2,398	2,993	0
Source	Yawata and others	Yawata and others	Yawata and others	Mitsubishi and others	U.S.A. (thru Idemitsu Company)	Chugoku Power Co.
State of control	None	None	None	None	Controlled	Controlled
Purpose	Steel sheet	Steel plate	Steel hoop	Heat treatment	Steel hoop furnace	Motive power and electric furnace

2. Principal materials and other materials:

The following is an explanation of the itemized requirements of principal raw materials and other materials:

a. Purchased items:

(1) As principal materials, sheet bar (for steel sheet), slab (for steel plate) and billet (for steel hoop) are largely purchased at present from the Yawata Iron and Steel Works and the Fuji Iron and Steel Works and also from the Kobe Steel Works and Nichia Steel Works. These materials were heretofore supplied on a production quota basis fixed by the Ministry of International Trade and Industry. However, with the abolition of controls over semi-finished products in January, 1950, these materials are being purchased in accordance with the company's own production plan. Favored by an advantageous geographical location, the company is able to maintain a smooth inflow of essential materials.

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(2) Company-produced product:

As an important steel making ingredient, scraps derived from the manufacture of principal finished products are converted into steel ingot and then rough-rolled into semi-finished material to be used mainly for the production of special steel plate and steel hoop.

b. Materials for secondary products:

In the manufacture of secondary products, steel sheet and hoop, both company-produced, are respectively utilized in a continuous process to turn out drum and galvanized iron sheet, and cold rolled steel hoop.

c. Other important materials:

Among the other important materials are various types of rollers, annealing case, zinc, sulphuric acid, electrode, manganese, cokes, etc. The almost complete lifting of controls have been effected recently with a consequent facilitation of the inflow of materials. In addition, company has on hand a considerable amount of stocked materials to override supply interruption.

d. Fuels and motive power:

(1) Coal:

The shipment of coal supplies has greatly improved. Particularly noteworthy is the improvement of their quality since the removal of coal control. This has permitted an unrestricted choice in the purchase of suitable coal, especially for gas generating purpose. The resulting effect on the ultimate quality of the finished product is, needless to say, beneficial. Another advantage has been added by the completion of the long pending construction of a gantry crane which has expedited loading and unloading operations. To this is added still another advantageous factor - the nearness of the plants to a coal mining area. Then the plants themselves have directed efforts towards an improvement of heat economization practice. All these factors have contributed to substantially reduce unit cost of production.

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(2) Heavy oil:

Since the supply of heavy oil is entirely dependent upon import sources, its shortage is critically felt throughout the nation. The company's allocation for the first half of the current period was limited to minimum requirement. However, the latter half was increased to 70 percent of the requirement. Since the price and efficiency factors of heavy oil surpass that of coal, efforts are concentrated towards gaining a larger quota. Although the future outlook may not always be unpromising, it is fortunate the company's hoop heat treating furnaces were designed to be utilizable also as a coal burning furnaces, which precluded any hitch in production.

(3) Electric power:

Electric power conditions did not warrant optimism. Nevertheless, they have made a marked improvement during the current period in comparison to the previous period. Furthermore, as a result of efforts made to institute counter-measures, it enabled allocation of extra power supply.

3. Fluctuations of unit cost:

Unit cost is the consumption of supplies, such as principal raw materials, fuels and electric power, in the production of one ton of steel. Since the qualities of both the raw materials and finished products must be taken into consideration, it is not always feasible to draw conclusion on the operational efficiency. However, the following table indicates the company's supplies consumption in the production of one ton of steel:

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a. Steel sheet:

Classification	Unit	2nd Half Fiscal '49 10/49-3/50	April	May	Jun
Principal raw materials	Ton	1.273	1.248	1.335	1.
Fuel, coal	"	0.370	0.330	0.389	0.
Electric power	KWH	179.	141.	195.	212.

b. Steel hoop:

Classification	Unit	2nd Half Fiscal '49 10/49-3/50	April	May	Jun
Principal raw materials	Ton	1.071	1.074	1.084	1.
Fuels:					
Heavy oil	Ltr.	58.	61.	60.	58.
Coal	Ton	0.151	0.140	0.146	0.
Electric power	KWH	130.	93.	87.	94.

4. Revisions in official prices of principal materials and other materi

Item	Unit	Date	Official Price	Date	Offic Price
Sheet bar	Ton	1/ 1/50	¥20,300	7/ 1/50	¥ 22,
Slab	"	"	20,000	"	21,
Billet	"	"	18,400	"	21,
Electrode	"	7/ 1/48	90,500	"	82,
Zinc	"	10/ 1/49	89,000	9/ 1/50	138,
Coal	"	9/15/49	4,800	"	4,
Heavy oil	Ltr.	1/ 1/50	10,100	"	9,
Roller (hot)	Ton	2/13/50	43,500	4/25/50	46,
Sulphuric acid	"	4/11/50	6,442	5/ 1/50	6,
Annealing case	"	1/ 1/50	40,000	8/28/50	43,
Fire-brick	"	7/ 1/50	5,494	7/ 1/50	5,
Carbide (No. 2)	"	4/ 1/50	2,177	9/ 1/50	1,

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First Half of Fiscal 1950

May	June	July	August	September	Average
1.335	1.352	1.324	1.264	1.297	1.308
0.389	0.466	0.375	0.346	0.320	0.371
195.	212.	196.	249.	146.	189.

First Half of Fiscal 1950

May	June	July	August	September	Average
1.084	1.073	1.075	1.074	1.077	1.076
60.	58.	59.	62.	71.	65.
0.146	0.139	0.147	0.130	0.132	0.139
87.	94.	99.	87.	80.	86.

and other materials:

ts		Official Price	Remark
/	1/50	₩ 22,000	Ceiling abolished
	"	21,000	"
	"	21,500	"
	"	82,500	"
/	1/50	138,000	"
	"	4,250	"
	"	9,000	Ceiling
	/23/50	46,000	"
/	1/50	6,600	"
	/28/50	43,000	Ceiling
/	1/50	5,814	"
/	1/50	1,811	"

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V. LABOR RELATIONS

A. Employees:

1. Number of employees:

Classification	As of December 20, 1950 Male	Female	Total
Clerk	258	63	321
Technician	78	10	88
Operative	1,139	6	1,145
Total	1,475	79	1,554

2. Average age:

Classification	As of December 20, 1950 Male	Female	Ave.
Clerk	32 yrs. 10 mos.	22 yrs. 5 mos.	30 yrs. 9 mos.
Technician	33 yrs. 7 mos.	21 yrs. 9 mos.	32 yrs. 2 mos.
Operative	30 yrs. 4 mos.	27 yrs. 6 mos.	30 yrs. 3 mos.
Average	30 yrs. 7 mos.	22 yrs. 8 mos.	30 yrs. 2 mos.

3. Average duration of service:

Classification	As of December 20, 1950 Male	Female	Ave.
Clerk	6 yrs. 11 mos.	3 yrs. 6 mos.	6 yrs. 3 mos.
Technician	9 yrs. 1 mo.	3 yrs. 9 mos.	8 yrs. 5 mos.
Operative	5 yrs. 3 mos.	5 yrs. 6 mos.	5 yrs. 3 mos.
Average	5 yrs. 5 mos.	3 yrs. 7 mos.	5 yrs. 4 mos.

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4. Age classification:

a. Statistics as of December 20, 1950:

Classification	20 or Below	21 - 30	31 - 40	41 - 50	51 or Over	Total
Clerk:						
Male	5	124	93	27	10	259
Female	24	37	2	0	0	63
Technician:						
Male	0	35	29	12	2	78
Female	3	7	0	0	0	10
Operative:						
Male	87	621	310	113	7	1,138
Female	0	4	2	0	0	6
Sub-total:						
Male	92	780	432	152	19	1,475
Female	27	48	4	0	0	79
Total	119	828	436	152	19	1,554
Percentage against total	10%	54%	26%	9%	1%	100%

5. Discharge of personnel during current period:

None.

B. Payroll:

1. Outline of current wage structure:

Classification	Breakdown	Application
Standard wage	Basic pay:	Payment made in accordance to age ranging from 2,178-yen minimum for 14 years service and up to 5,688-yen maximum for 45 years service.
	Age	
	Ability	Based upon skill, experience, education and personal character.

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	Assignment allowance	Graded for the type of work engaged by each employee. The rate ranges from 900-yen minimum for grade 9 up to maximum of 4,700-yen for grade 1.
	Efficiency allowance	Divided into direct production and subsidiary departments, payment made in accordance with actual output.
	Regional allowance	80% of the basic age pay allowed those employed in Tokyo, Osaka and Yawata offices, and 60% those employed in Hiroshima office.
Extra wage	Overtime allowance	Overtime is payable by 17% in excess of the standard wage per hour converted rate for the first hour, and by 21% for every hour thereafter. However, no allowance is granted for overtime less than 30 minutes.
	Allowance for work on weekly holiday	Payable at the hourly rate of 21% in excess of the standard wage per hour converted rate.
	Allowance for work on legal holidays	Payable at the hourly rate of 42% in excess of the standard wage per hour converted rate for work on New Year period, and 21% for other legal holidays.
	Night-shift allowance	Payable at the hourly rate of 4.2% in excess of the standard wage per hour converted rate for work between 7:00 p.m. and 6.00 a.m.
	Watch duty allowance	190-yen paid for each watch duty taken at day or night.

Note: a. The standard wage per hour converted rate is computed to consist of the basic pay, assignment allowance and efficiency allowance.

b. When specifically designated, the regional allowance is also included in the computation of the foregoing rate for branch office employees.

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2. Transitions in the average wage:

Classification	Oct. 49 to Mar. 50	Apr. 50 to Sept. 50	1950 Oct.	Nov.	Dec.
Clerk:					
Male	¥13,443	¥13,422	¥13,921	¥15,357	¥15,285
Female	6,395	6,133	6,835	7,162	7,431
Technician:					
Male	14,747	15,412	16,250	16,650	16,438
Female	6,579	5,879	6,452	7,111	7,205
Operative:					
Male	13,348	13,781	14,353	15,738	16,107
Female	6,658	6,752	7,574	8,430	8,555
Average	13,150	13,449	14,051	15,343	15,618

C. Labor Union:

1. Organization:

Along with the sudden development of labor union after the termination of hostilities, the Tokuyama Steel Sheet Labor Union was formed on February 1, 1946. The membership composed of all the employees of the company except those of executive standings and a portion of the employees (department and section heads, and those with special job assignments). In April, 1946, it joined the All Japan Steel Workers Union, an affiliate of the National Congress of Industrial Organizations. It was renamed the Tokuyama Steel Sheet Chapter of the All Japan Steel Workers Union on November 15, 1947. In the development of union activities, it came to function as an individual steel workers union. However, taking advantage of the dissolution of the All Japan Steel Workers Union in October, 1948, the so-called "Mindo" adherents met and organized a new union on November 6, 1948 under the name of the Tokuyama Steel Sheet Labor Union. In August, 1949, it became affiliated with the General Federation of Japanese Trade Unions. Its membership, as of December 31, 1950, numbers 1,452. On the other hand, the non-members of this union had formed the Tokuyama Steel Sheet Chapter, Yamaguchi Branch of the All Japan Metal Workers Union. This, however, was dissolved on November 27 when the Reds' purging program was executed on October 27, which resulted in the suspension of 25 members of the Tokuyama Steel Sheet Chapter through dismissals and voluntary resignations.

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2. Labor agreement:

The existing labor agreement concluded with the union has been automatically extended since July 1, 1949. For conclusion of a new labor agreement, the company's proposal has been presented and negotiations are concurrently being conducted for its conclusion.

3. Management council:

The management council is a body representing capital and labor, composed of three to seven committee members from each party. The subjects presented for deliberation deal principally with working conditions, factory operation schedule and employees' welfare.

4. Union activities:

a. Labor dispute:

None since 1947.

b. Present activities:

Since re-establishing itself as the Tokuyama Steel Sheet Labor Union on November 6, 1948, labor has reappraised its past struggles and has basically revised its policies. It has come forward to even propose the bolstering of rationalized production and management. And wholly from a laborer's standpoint, the union members are today staunchly supporting an assertive but constructive policy. All subjects for discussion are presented to the management council and are amicably settled through mutual discussions.

The dissolution of the Tokuyama Steel Sheet Chapter brought about by execution of the Red's purging program on October 27 created an improved workshop atmosphere and concentration of an all-out efforts towards bolstering of production.

D. Welfare Facilities:

1. Residence:

Company homes	117 buildings	353 households
Apartment	1 building	9 households
Dormitories	6 buildings	Accomodation for 363 bachelors.

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2. Transportation:

For the convenience of employees and residents of the company housings, a fleet of eight heavy-duty buses are operated between the plant and Kushigahama railroad station. It accomodates daily average of 1,600 riders.

3. Preservation of health:

Available are clinic facilities for surgical, dental and maternity treatments and for X-ray diagnosis. In addition to these facilities is the Tokuyama Steel Sheet Health Insurance Association, formed on December 1, 1948, to look after the health of employees and their families.

4. Physical training and culture:

The Tokuyama Steel Sheet Physical Training and Culture Society was established on November 15, 1947, consisting of Physical Training Division (baseball, tennis, ping-pong, volley ball, swimming, archery, and track and field), Music Division (instrumental music and dancing), and Literary Art Division (arts and crafts, gobang and Japanese chess, and literature). All are attracting popular attention in and out of the company area.

5. Other facilities:

The company operates a barber shop, bicycle and shoe repairing shops, employees' hall, bath house, library, and a general store, handling full lines of daily necessities for employees and their families. The employees' hall is offered and used as a public nursery for children living in the locality of the company.

VI. STATEMENT OF ACCOUNTS

A. Comparative Balance Sheet for March 31, 1950, and September 30, 1950:

ASSETS	Sept. 30 1950	Mar. 31 1950	Increase or Decrease*
Current Assets:			
Cash on Hand	1,988,000	1,396,000	592,000
Cash on Deposits	145,574,000	102,400,000	43,174,000
Notes Receivable	39,318,000	62,242,000	22,924,000*
Accounts Receivable	103,889,000	84,766,000	19,123,000
Securities	9,961,000	8,151,000	1,810,000
Loans Receivable	645,000	5,659,000	5,014,000*
Prepayments	42,951,000	45,204,000	2,253,000*
Provisional Payments	27,140,000	39,419,000	12,279,000*
Leg. Reserve for Retirement Allow		189,000	189,000*
Total Current Assets	371,466,000	349,426,000	22,040,000
Inventories:			
Raw Materials	221,046,000	174,187,000	46,859,000
Products in Process	63,698,000	42,581,000	21,117,000
Semi-finished Products	8,899,000	11,707,000	2,808,000*
Finished Products	505,740,000	360,290,000	145,450,000
By-products	2,423,000	3,016,000	593,000*
Supplies	114,538,000	93,181,000	21,357,000
Total Inventories	916,344,000	684,962,000	231,382,000
Fixed Assets:			
Buildings	121,387,000	12,177,000	109,210,000
Integral Facilities	25,053,000	230,000	24,823,000
Delivery Equipments	4,578,000	1,818,000	2,760,000
Machinery and Equipment	240,228,000	35,055,000	205,173,000
Tools, Appliances and Fixtures	1,739,000	1,800,000	61,000*
Land	3,750,000	3,734,000	16,000
Total Fixed Assets	396,735,000	54,814,000	341,921,000
Total Assets	1,684,545,000	1,089,202,000	595,343,000
LIABILITIES AND PROPRIETORSHIP			

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Tools, Appliances and Fixtures...			
Land.....	3,750,000	3,734,000	16,000
Total Fixed Assets.....	396,735,000	54,814,000	341,921,000
Total Assets.....	1,684,545,000	1,089,202,000	595,343,000
LIABILITIES AND PROPRIETORSHIP			
Current Liabilities:			
Notes Payable.....	311,769,000	257,570,000	54,199,000
Accounts Payable.....	191,991,000	151,765,000	40,226,000
Loans Payable.....	254,000,000	286,500,000	32,500,000*
Accrued Items.....	98,202,000	109,770,000	11,568,000*
Dividend Payable.....	1,513,000	365,000	1,148,000
Advance Payments by Customers....	116,912,000	71,583,000	45,329,000
Deposits by Employees.....	24,833,000	18,023,000	6,810,000
Reserve for Tax Payments.....	15,132,000	5,087,000	10,045,000
Leg. Reserve for Retirement Allow		189,000	189,000*
Reserve for Bad Debts.....	219,000		219,000
Total Current Liabilities.....	1,014,571,000	900,852,000	113,719,000
Fixed Liabilities:			
Bonds Payable (5-Year, 8½%).....	100,000,000		100,000,000
Proprietorship:			
Capital Stock.....	100,000,000	100,000,000	
Legal Reserve.....	12,500,000	7,500,000	5,000,000
Special Reserve.....	15,000,000	9,000,000	6,000,000
Reserve for Dividends.....	10,000,000	5,500,000	4,500,000
Reserve for Retirement Allow.....	14,000,000	9,000,000	5,000,000
Reserve for Revaluations.....	326,564,000		326,564,000
Total Proprietorship.....	478,064,000	131,000,000	347,064,000
Profit and Loss Summary Accounts:			
Totals B/F from Last Period.....	5,292,000	3,371,000	1,921,000
Profit for Fiscal Period.....	86,618,000	53,979,000	32,639,000
Total Profit and Loss Summary Acct.....	91,910,000	57,350,000	34,560,000
Total Liab. and Prop.....	1,684,545,000	1,089,202,000	595,343,000

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B. Comparative Statement of Profit and Loss for Fiscal Periods Ending March

	September 30, 1950		
Income from Sales:			
Gross Sales	1,969,100,000	100.0%	1,
(Subsidies)	(253,649,000)		(
Cost of Products Sold:			
Inv. of Fin. Prod., Beginning of Period	363,307,000		
Cost of Products Manufactured	1,685,403,000		1,
Appraisal of Fin. Prod. and Other Costs	53,290,000		
Total Cost of Finished Prod. Available	2,102,000,000		1,
Less Fin. Prod. Inv., End of Period	508,163,000		
Cost of Products Sold	1,593,837,000	80.9%	1,
Gross Profit on Sales	375,253,000	19.1%	
Operating Expenses:			
Delivery Expense	45,074,000		
Sales Commissions	52,886,000		
Office Supplies Used	1,171,000		
Salaries and Wages	17,993,000		
Depreciation Expense	25,000		
Communication and Traveling Expense	5,481,000		
Freight Out	9,441,000		
Miscellaneous Expense	23,999,000		
Total Operating Expenses	156,070,000	7.9%	
Profit from Operations	219,193,000	11.2%	
Other Income:			
Interest Income	10,679,000		
Dividend Income	401,000		
Inventory Appraisal Profits	32,054,000		
Profit from Price Differences	16,940,000		
Profit from Freight Cost Pooling	2,580,000		
Miscellaneous Income	706,000		
Total Other Income	63,360,000	3.2%	
Gross Income	282,553,000		
Other Expense:			
Interest Expense	35,462,000		
Provision for Income Tax	61,617,000		
Employees' Bonus and Retirement Allow	24,197,000		
Freight In, Raw Material Purchases	24,948,000		
Depreciation Expense	10,424,000		
Maint. and Repairs to Bldg. and Others	10,101,000		
Expense for Issuance of Bonds	7,541,000		
Loss Due to Suspension of Plant Operation	6,017,000		
Inventory Appraisal Loss			
Provision for Marginal Profit			
Miscellaneous Expense	15,628,000		
Total Other Expense	195,935,000	10.0%	
Net Income for Fiscal Period	86,618,000	4.4%	

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nd Loss for Fiscal Periods Ending March 31, 1950, and September 30, 1950:

	September 30, 1950		March 31, 1950		Increase or Decrease*
.....	1,969,100,000	100.0%	1,320,271,000	100.0%	648,829,000
.....	(253,649,000)		(299,173,000)		45,524,000*
of Period	363,307,000		117,117,000		246,190,000
.....	1,685,403,000		1,289,792,000		395,611,000
ther Costs	53,290,000		25,140,000		78,430,000
Available	2,102,000,000		1,381,769,000		720,231,000
Period....	508,163,000		363,306,000		144,857,000
.....	1,593,837,000	80.9%	1,018,463,000	77.1%	575,374,000
.....	375,253,000	19.1%	301,808,000	22.9%	73,455,000
.....	45,074,000		44,623,000		451,000
.....	52,886,000		37,072,000		15,814,000
.....	1,171,000		1,470,000		299,000*
.....	17,993,000		16,837,000		1,156,000
.....	25,000		60,000		35,000*
onse.....	5,481,000		3,830,000		1,651,000
.....	9,441,000		5,998,000		3,443,000
.....	23,959,000		28,076,000		4,077,000*
.....	156,070,000	7.9%	137,966,000	10.5%	18,104,000
.....	219,193,000	11.2%	163,842,000	12.4%	55,351,000
.....	10,679,000		4,991,000		5,688,000
.....	401,000		115,000		286,000
.....	32,054,000				32,054,000
.....	16,940,000				16,940,000
.....	2,580,000		38,425,000		35,845,000*
.....	706,000		601,000		105,000
.....	63,360,000	3.2%	44,132,000	3.4%	19,228,000
.....	282,553,000		207,974,000		74,579,000
.....	35,462,000		21,634,000		13,828,000
.....	61,617,000		20,627,000		40,990,000
Allow.....	24,197,000		19,535,000		4,662,000
ses.....	24,948,000				24,948,000
.....	10,424,000		689,000		9,735,000
Others....	10,101,000		8,723,000		1,378,000
.....	7,541,000		7,606,000		65,000*
Operation	6,017,000		4,305,000		1,712,000
.....			32,888,000		32,888,000*
.....			17,095,000		17,095,000*
.....	15,628,000		20,893,000		5,265,000*
.....	195,935,000	10.0%	153,995,000	11.7%	41,940,000
.....	86,618,000	4.4%	53,979,000	4.1%	32,639,000

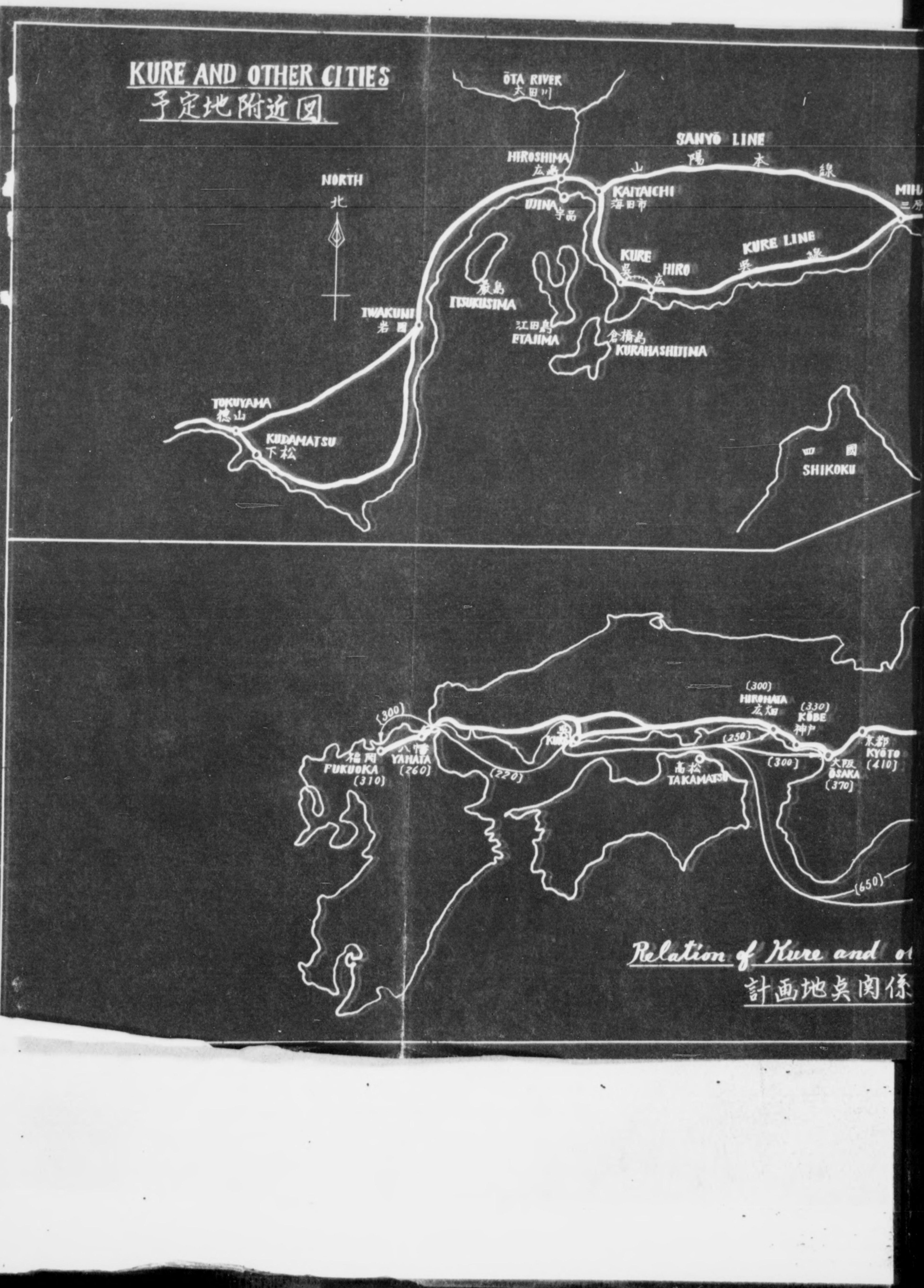
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

C. Comparative Statement of Distribution of Profit:

	Sept. 30 1950	March 31 1950	Increase or Decrease*
Profit for Fiscal Period.....	86,618,000	53,979,000	32,639,000
Totals B/F from Last Period.....	5,292,000	3,371,000	1,921,000
Total Profit.....	91,910,000	57,350,000	34,560,000
Distribution of Profit:			
Legal Reserve.....	12,500,000	5,000,000	7,500,000
Special Reserve.....	20,000,000	6,000,000	14,000,000
Reserve for Retirement Allow...	6,000,000	5,000,000	1,000,000
Reserve for Dividend.....	7,500,000	4,500,000	3,000,000
Carried Forward to Next Period.	6,610,000	5,292,000	1,318,000
Stock Dividend.....	7,500,000	6,058,000	1,442,000
Officers' Bonus.....	1,800,000	1,500,000	300,000
Reserve for Tax Payments.....	30,000,000	24,000,000	6,000,000
Total Distribution of Profit.	91,910,000	57,350,000	34,560,000
Rate of Dividend	15%	15%	

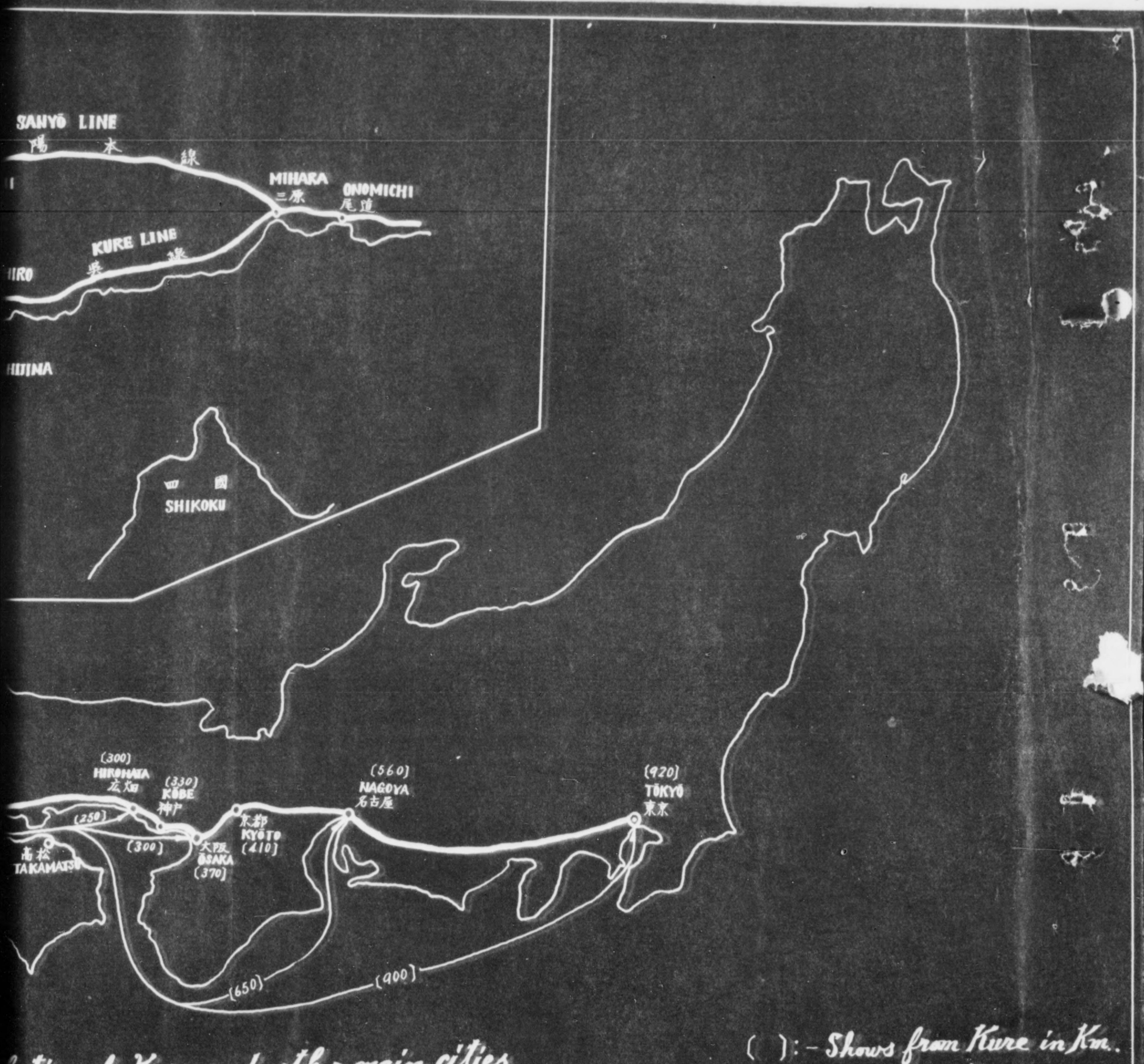
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

KURE AND OTHER CITIES
呉及び附近予定地図



Relation of Kure and ot
計画地呉関係

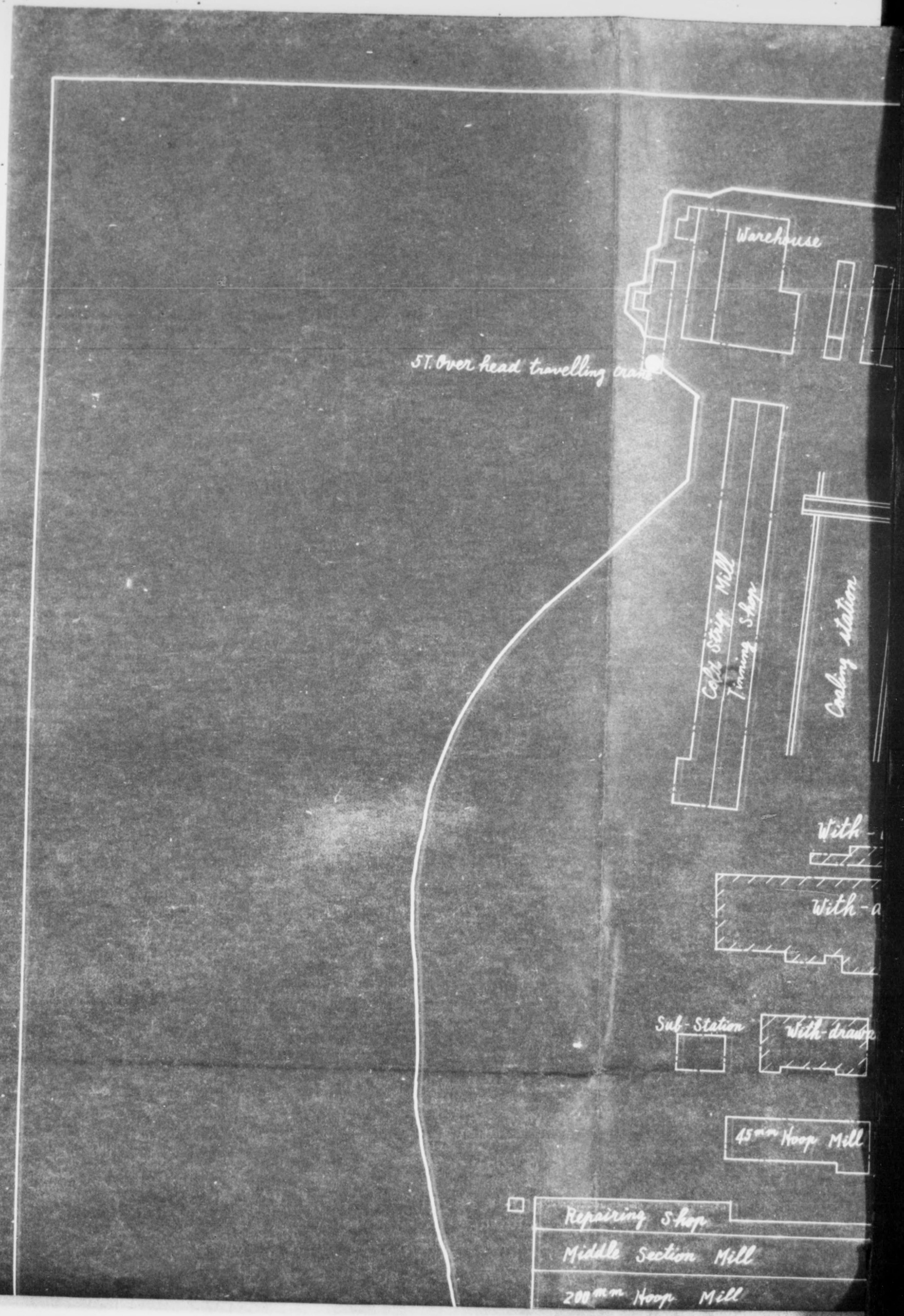
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



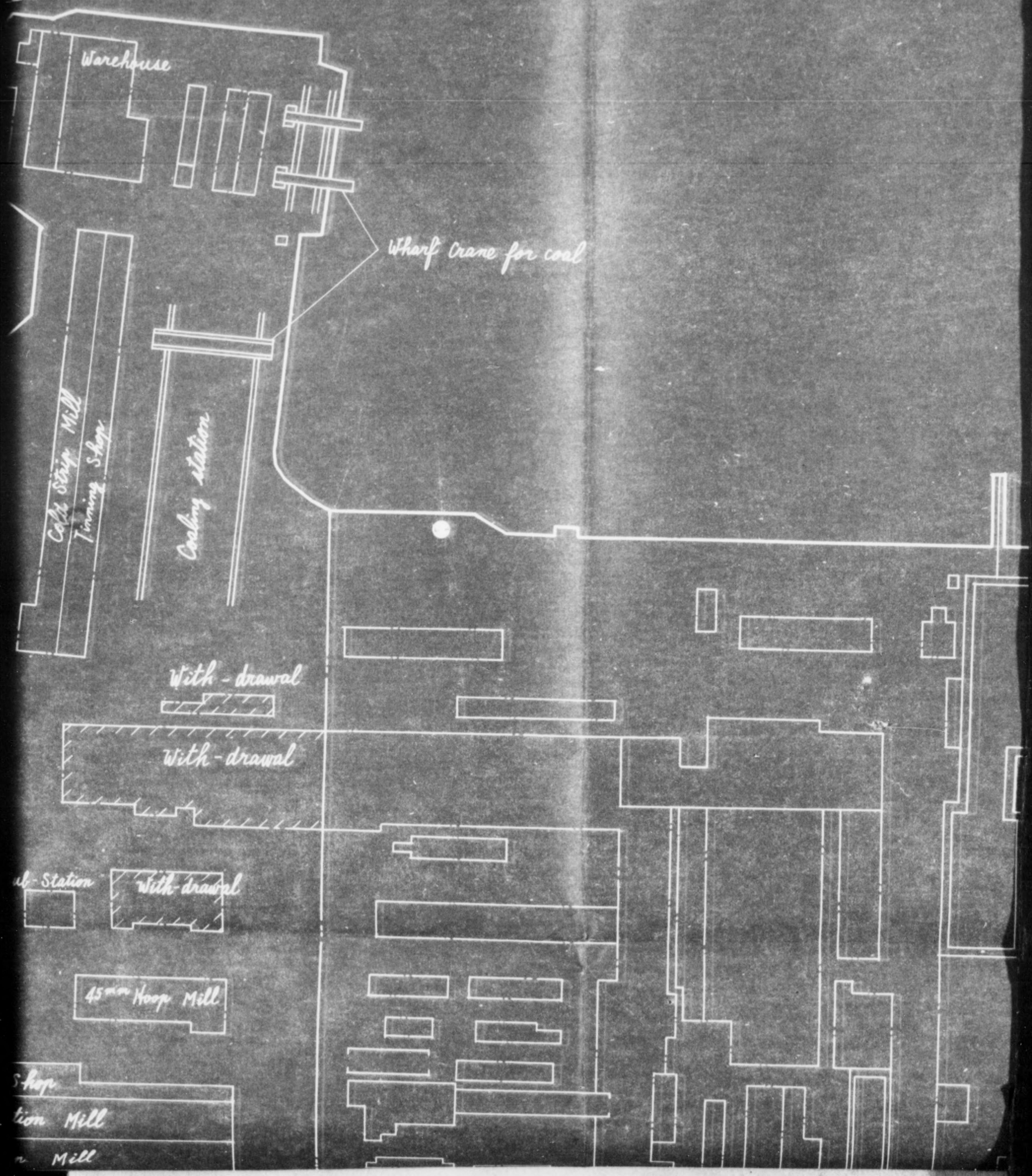
Location of Kure and other main cities.
計画地呉関係図

( ):- *Shows from Kure in Km..*
( )内の数字は粁数を示す

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



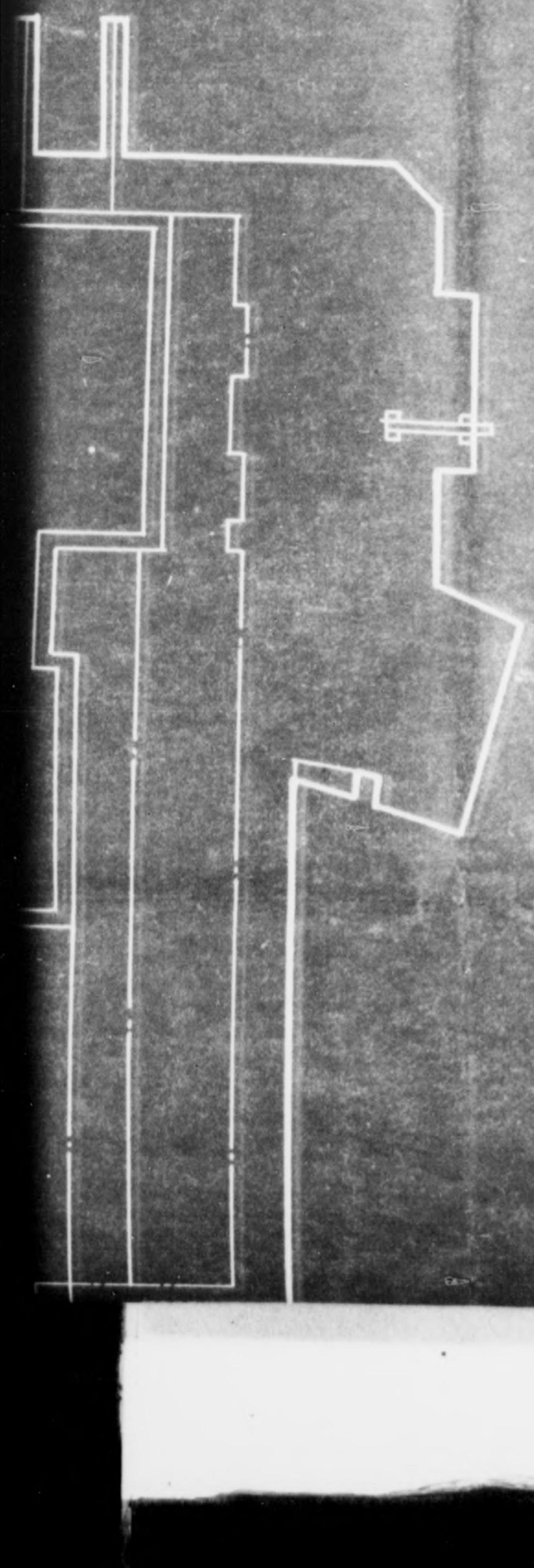
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(1) Area of Land 84.500 tsubo

(2) Area of Building 16.310 tsubo

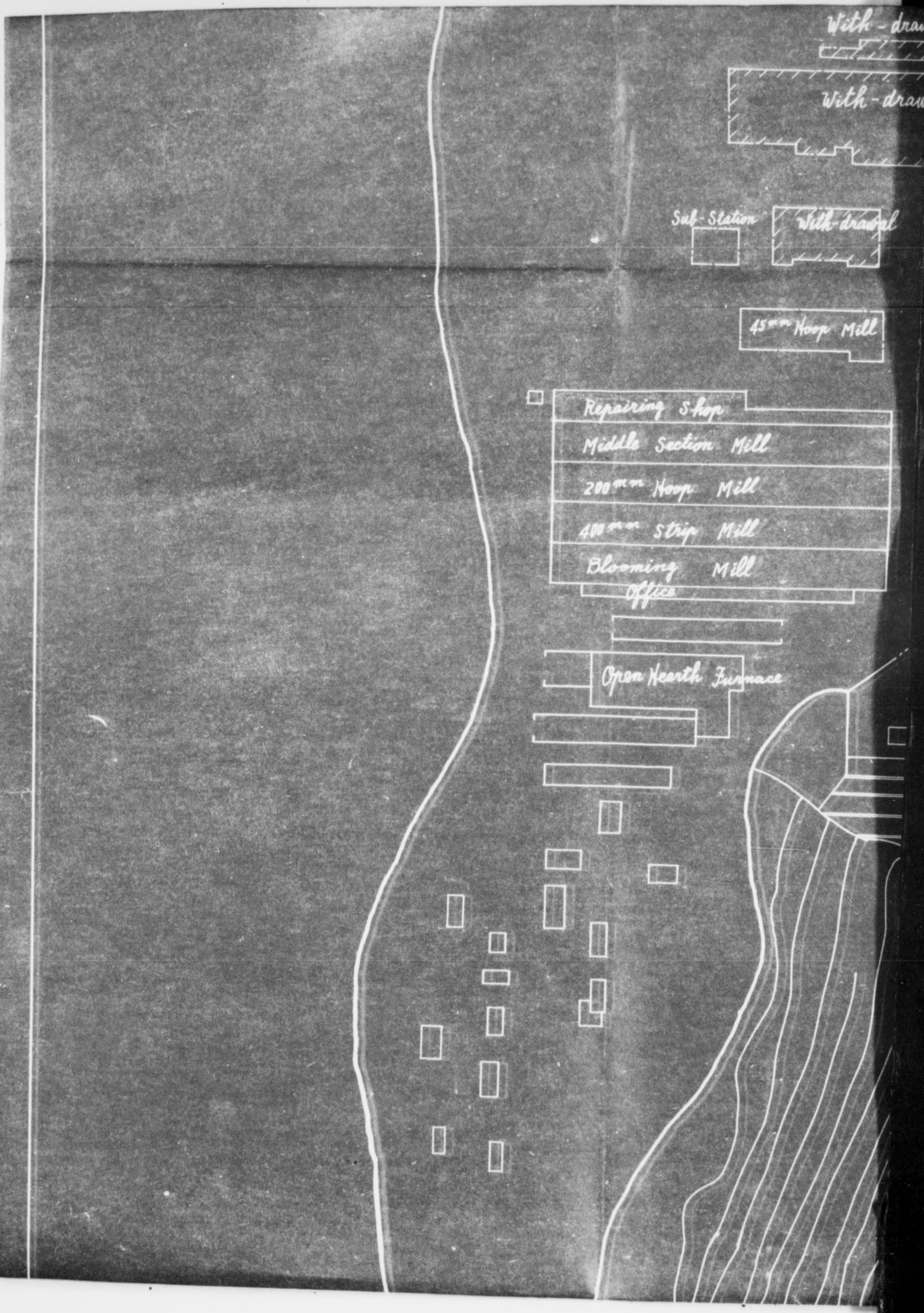
Details

Equipment	Area (tsubo)
Open Hearth Furnace	2.160
Office	370
Blooming Mill	1.770
400 m m Strip Mill	1.770
200 m m Hoop Mill	1.770
Middle Section Mill	1.770
Repairing Shop	665
45 m m Hoop Mill	700
Sub - Station	190
Cold Strip Mill	1.150
Tinning Shop	1.100
Warehouse	1.140
Besides	1.755
Total	16.310

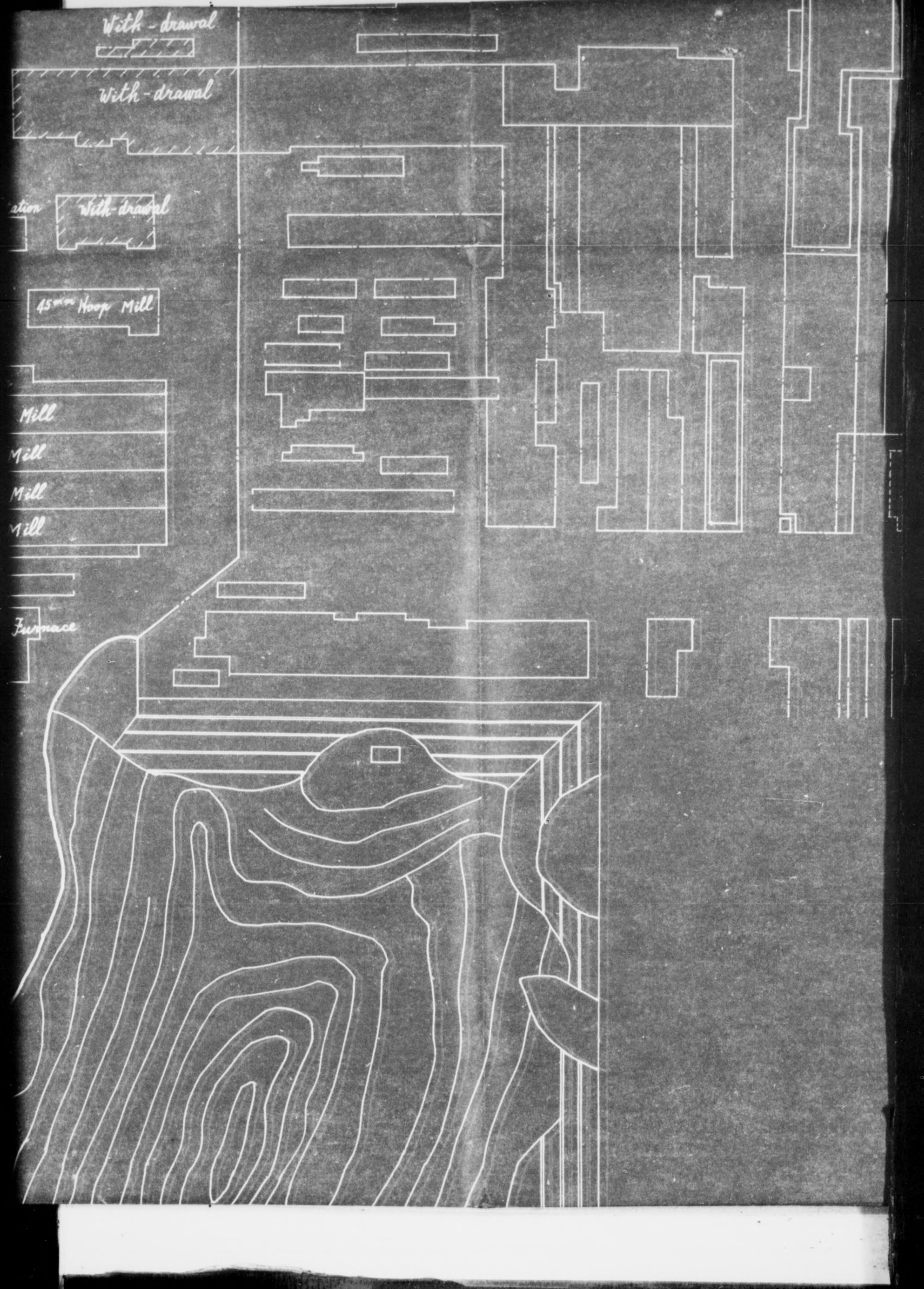


(3) Area of with-drawal building 3.400 tsubo

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

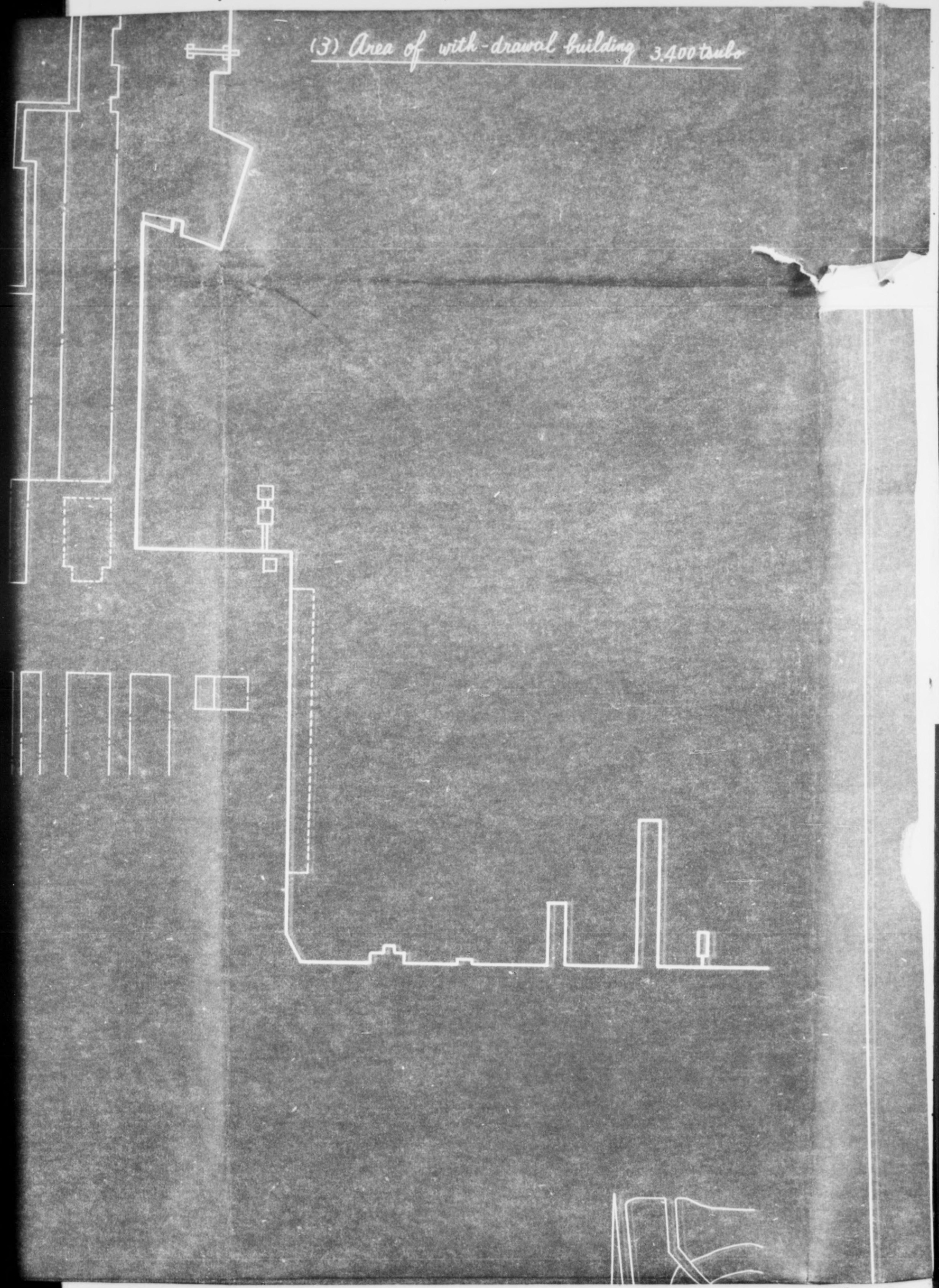


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

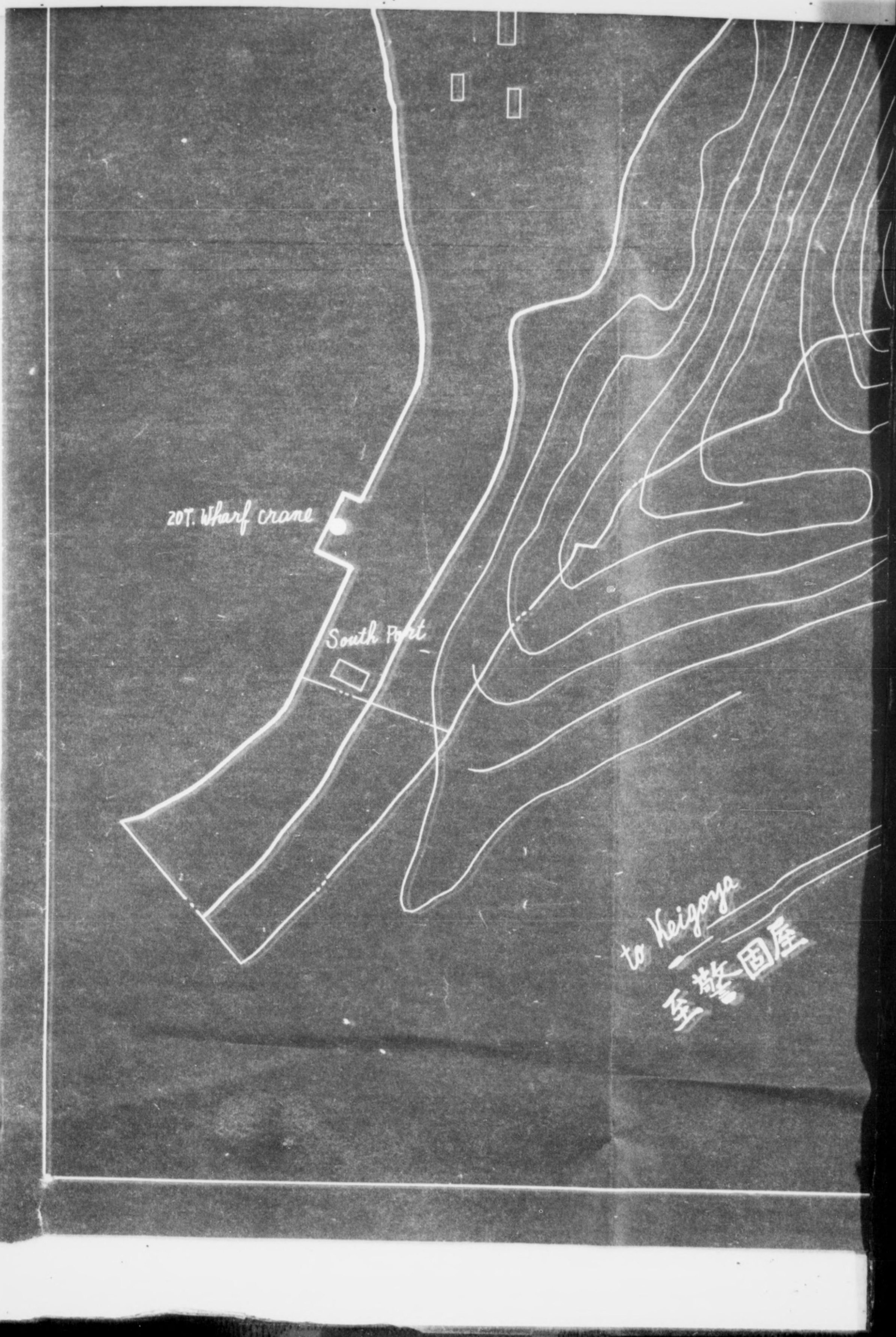


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDS NO. 775013

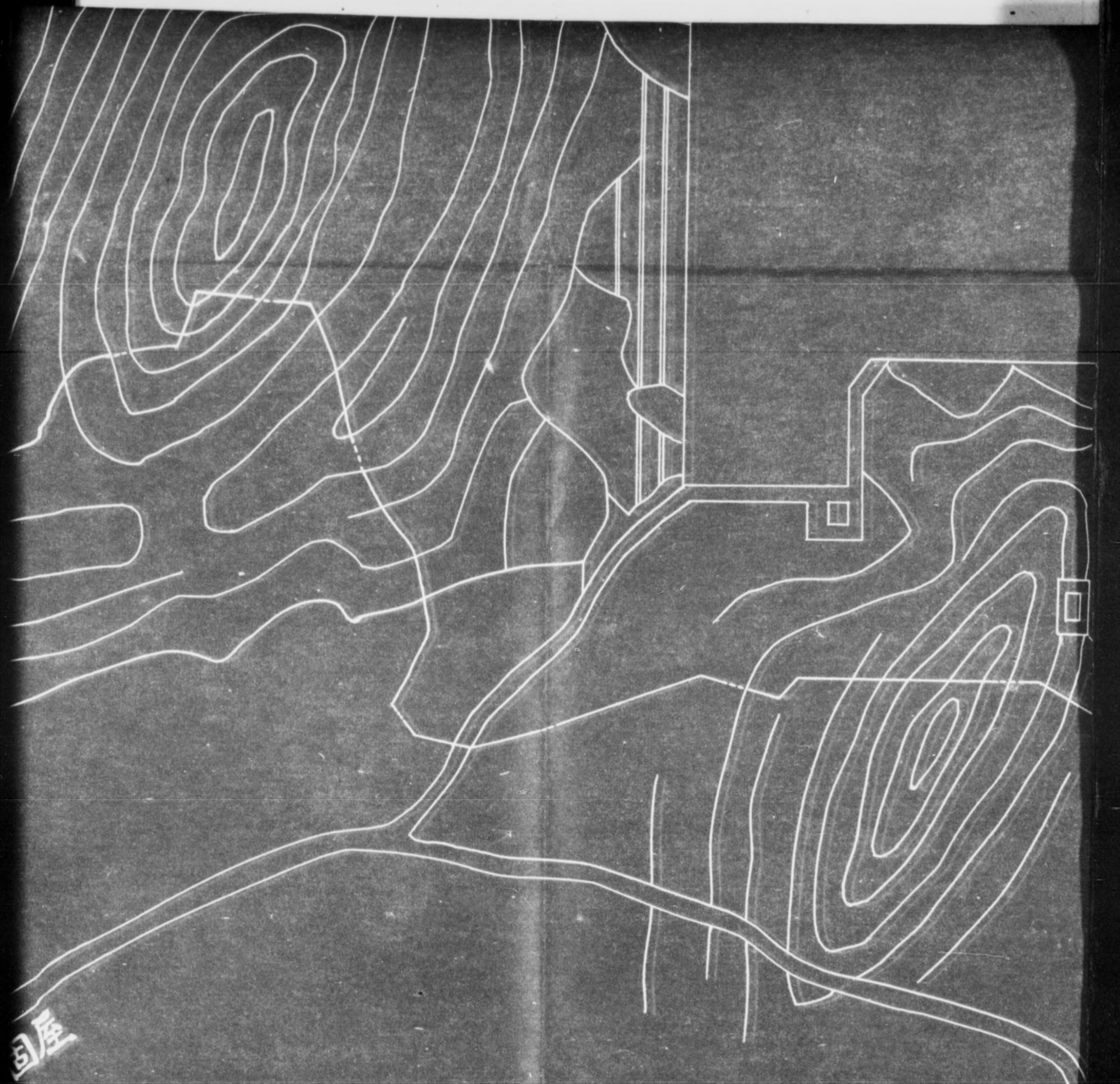
(3) Area of with-drawal building 3.400 tsubo



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

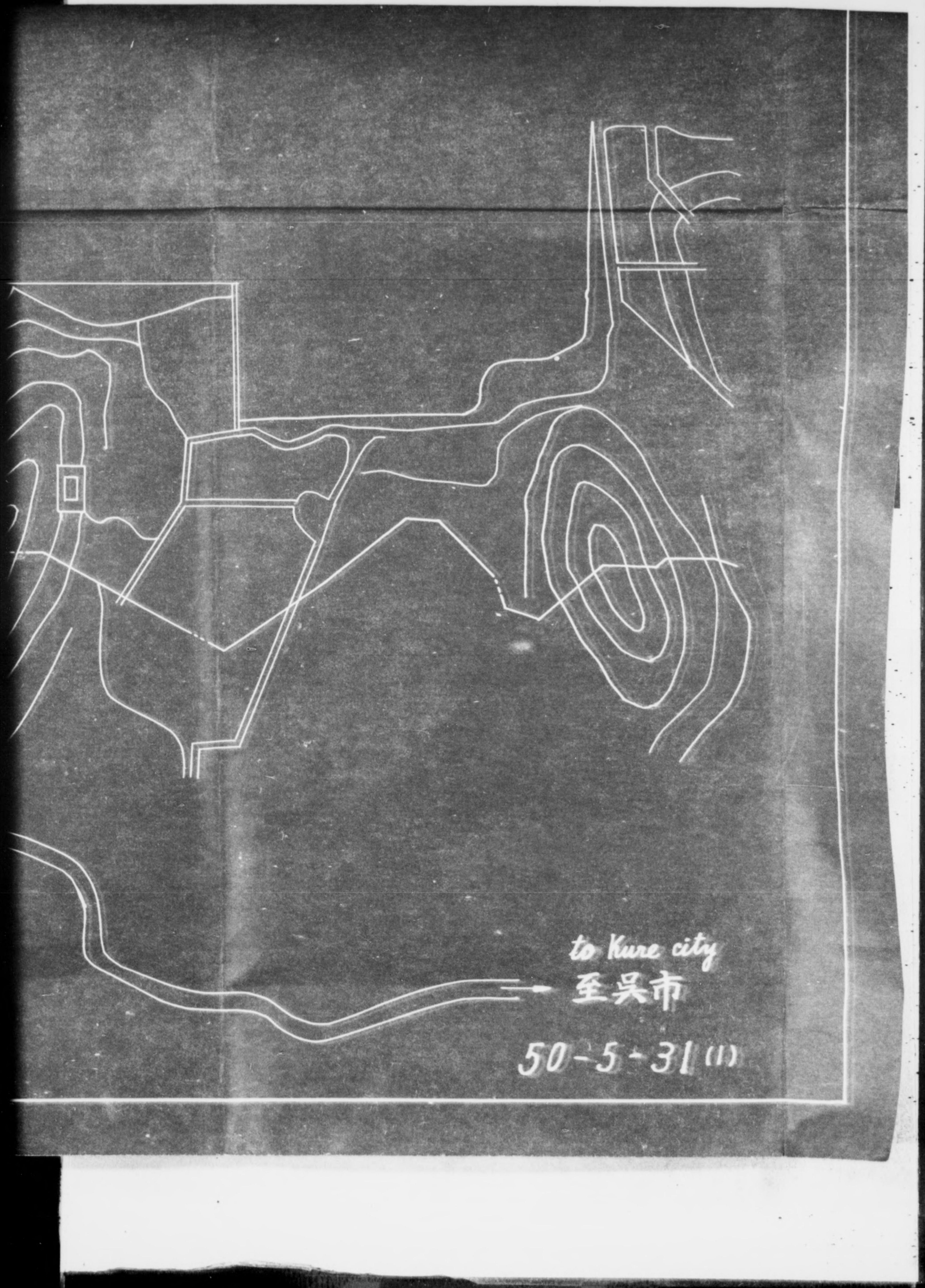


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



General arrangement of shop in Hure

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

15,000

In

鋸

122,000

50T

100T

Casting yard

造塊ヤード

20,000

5T

O.H.F. NO1

1号 平炉

O.H.F. NO2

2号 平炉

O.H.F.

3号

17,500

16,000

Scrap yard

原料ヤード

115,000

11,000

Gas producer

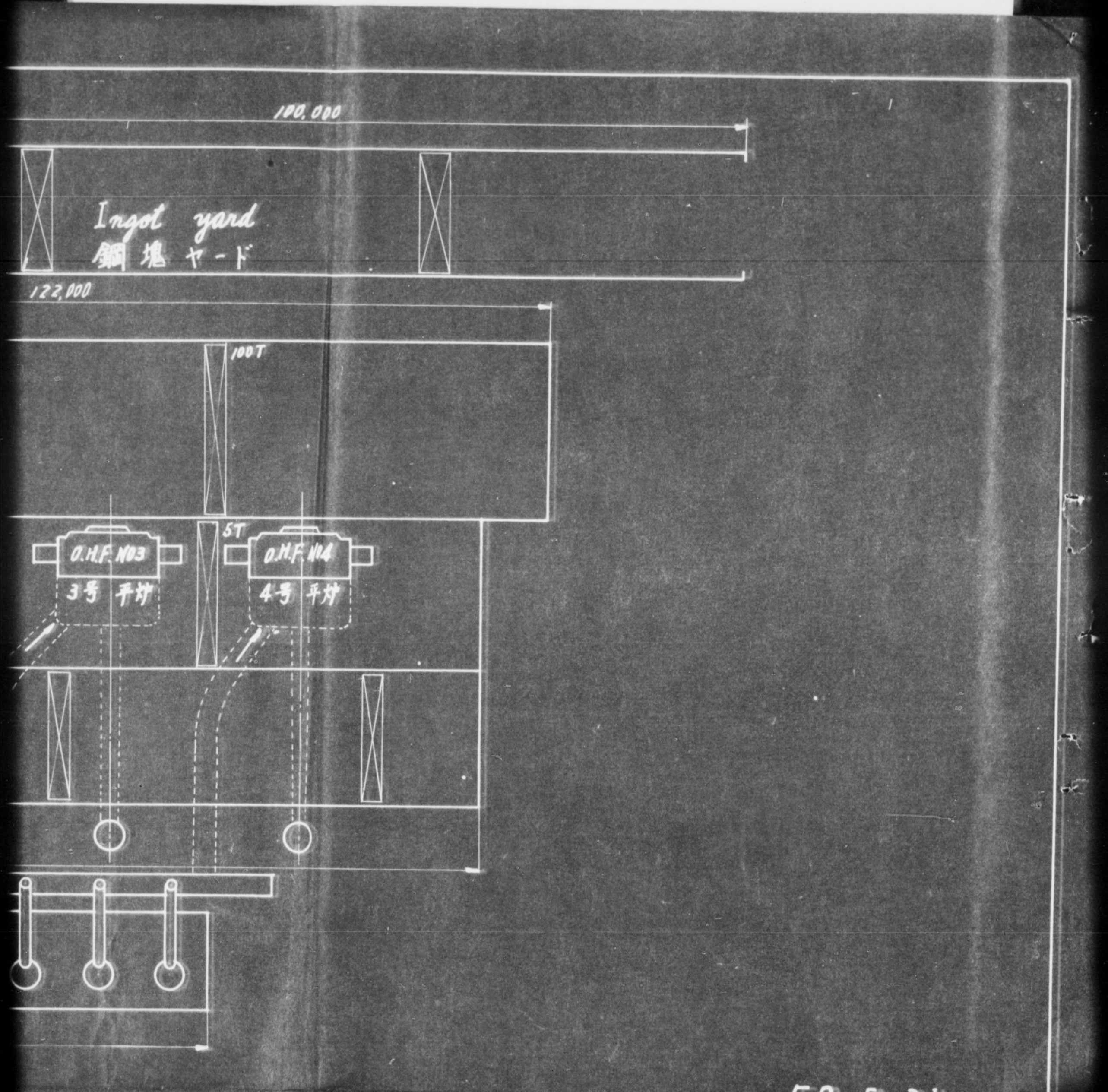
瓦斯発生炉

75,000

General arrangement

製鋼工場関係

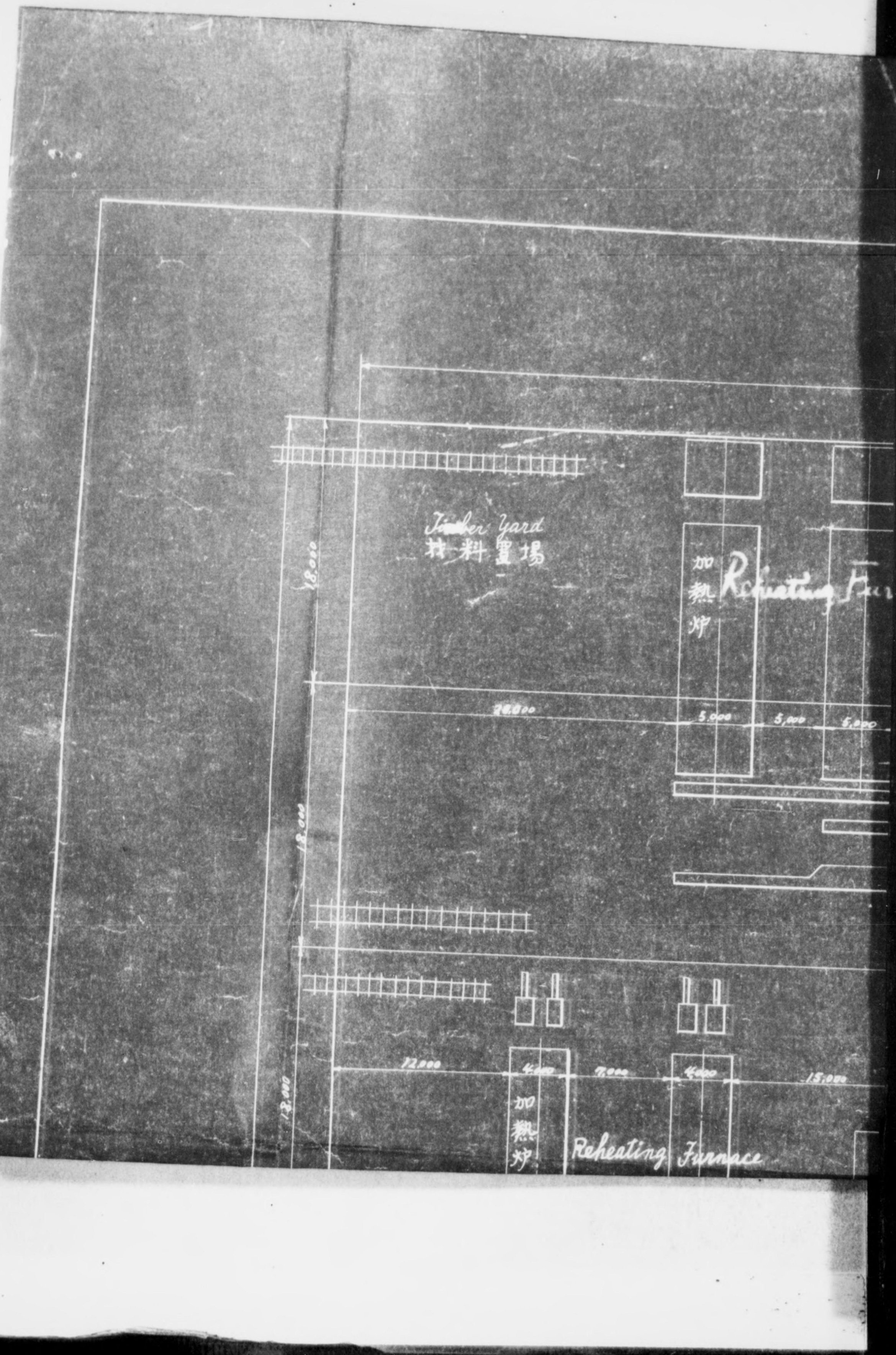
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



50-5-31/(3)

gement of open hearth furnace (№1) S— 1/500
関係配置図

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

200.

existing Furnace

5,000 5,000 25,000 60,000

3-high Mill
三重ロール機

Timber Yard
材料置場

200m/m Hoop Mill
大中幅帯鋼圧延設備

15,000 30,000

85m/m Continuous finishing Mill

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

200,000

5,000

中形压延設備
Middle section Mill

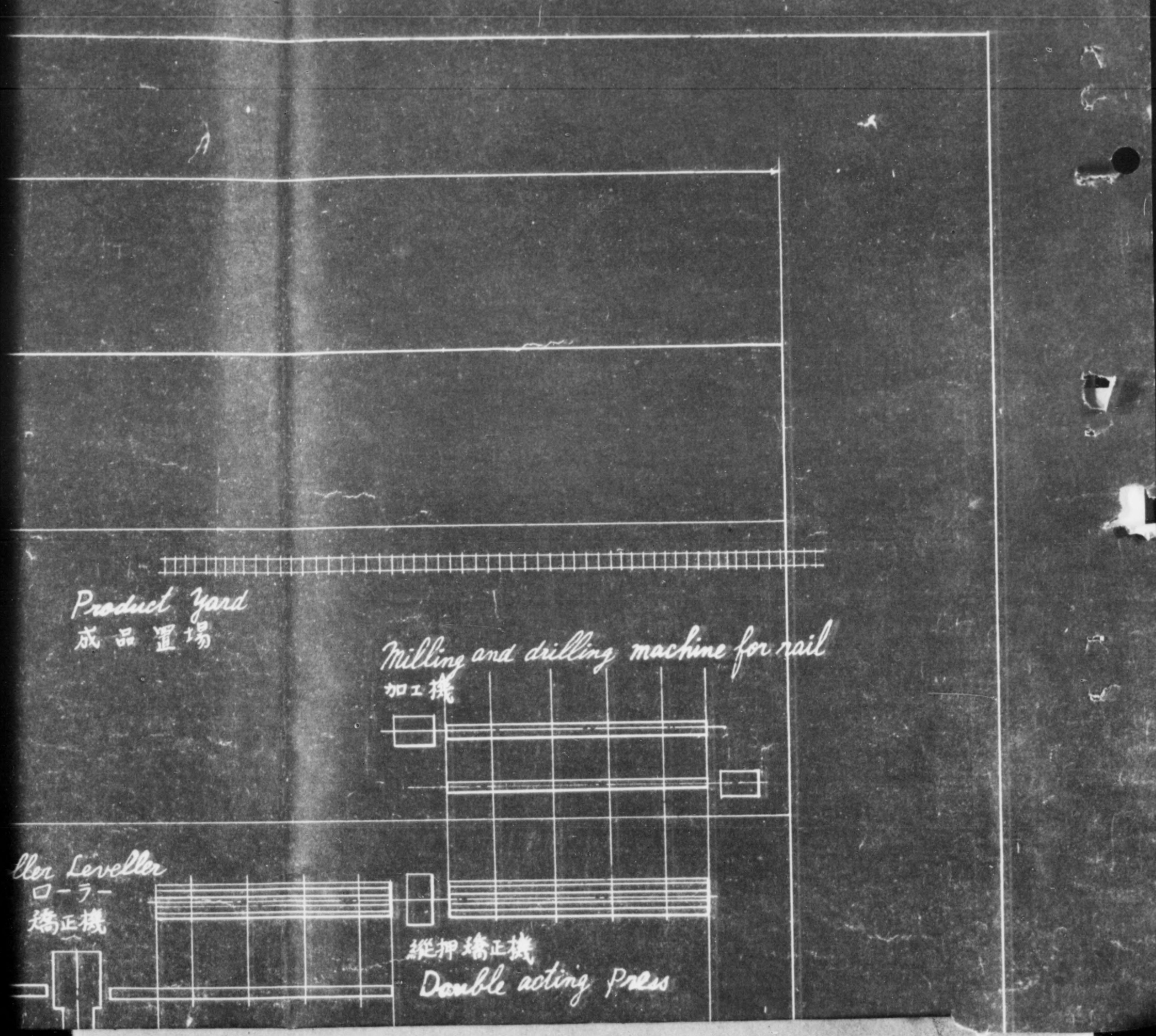
熱間鋸断機 Hot saw

Pro
成

Roller Leve
ローラー
矯正機

ill
延設備

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



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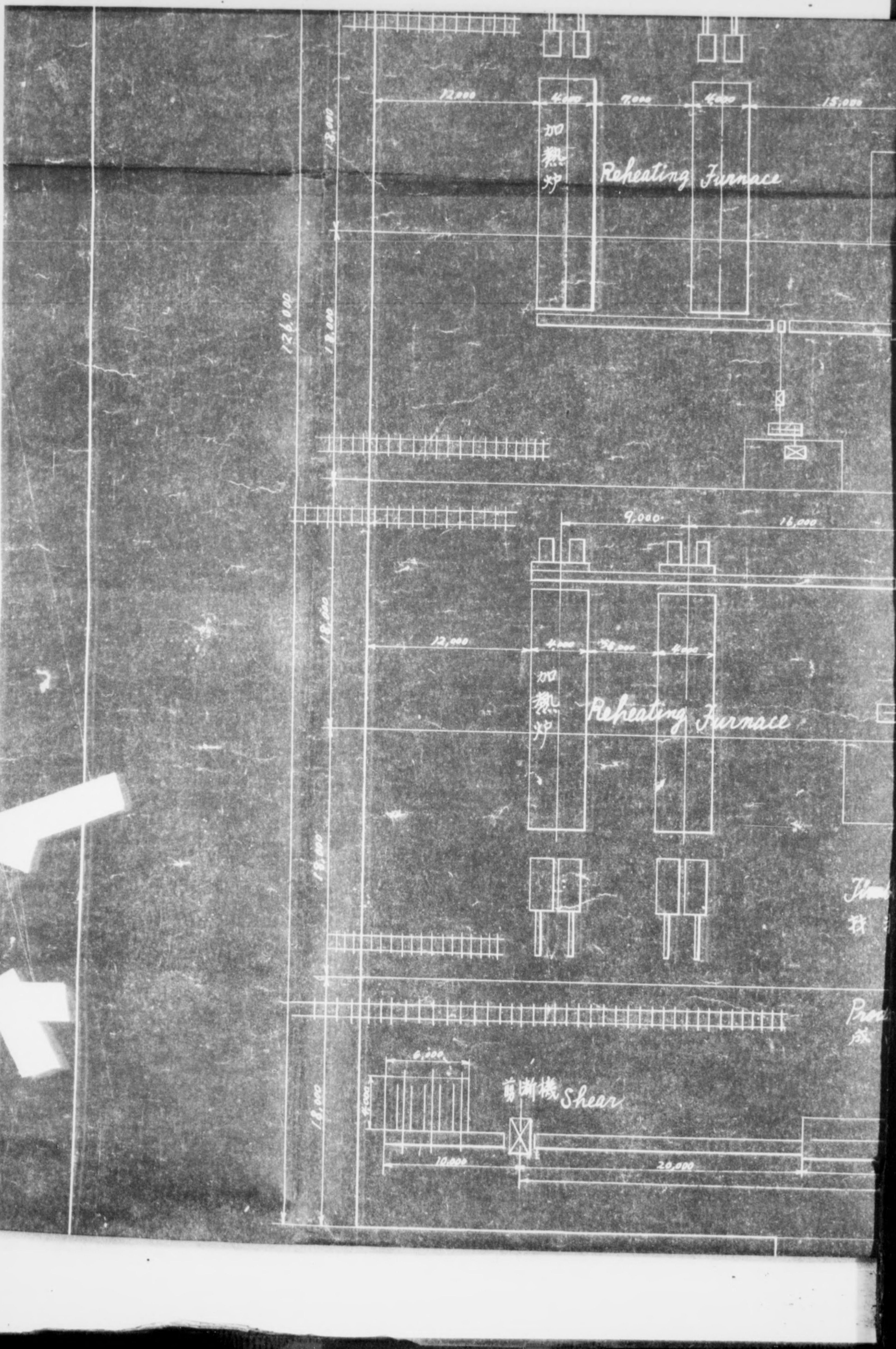


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

材料置場

大中幅帯鋼圧延設備

15,000

30,000

ace

85m/m Continuous finishing Mill

中幅仕上ロール機

30,000

Roughing Mill

粗ロール機

複二重ロール機

Double 2 high Mill

大中仕上ロール機

200m/m Continu

16,000

11,000

15,000

20,000

廣幅帯鋼

400 m/m S

nace

Roughing Mill

粗ロール機

Timber Yard

材料置場

6,000

10,000

Shear

剪断機

Product Yard

成品置場

8,000

8,000

30,000

50,000

Tilting table

仕上ロール

Finishing Mill

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

Roller L
ローラー
矯正

Mill

20,000

10,000

30,000

コンベヤー
Conveyer

仕上ロール機
200m/m Continuous finishing Mill

28,500

5,500

5,500

5,500

5,500

5,500

13,000

広幅帯鋼圧延設備
400 m/m Strip Mill

仕上ロール機
Continuous finishing Mill

Shear
剪断機

20,000

20,000

Tilting table
ティルチング
テーブル

キッパー

20,000

8,000

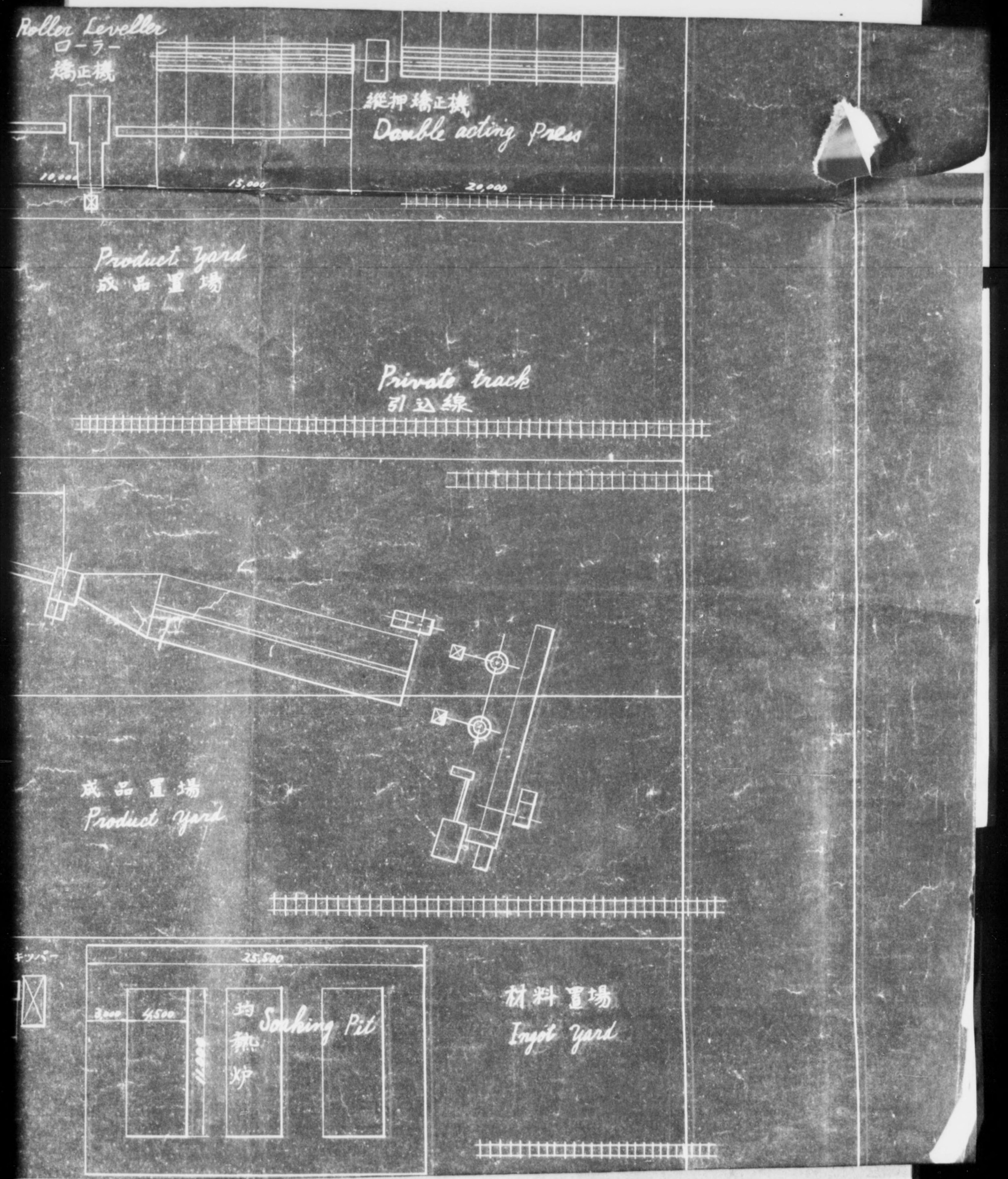
8,000

20,000

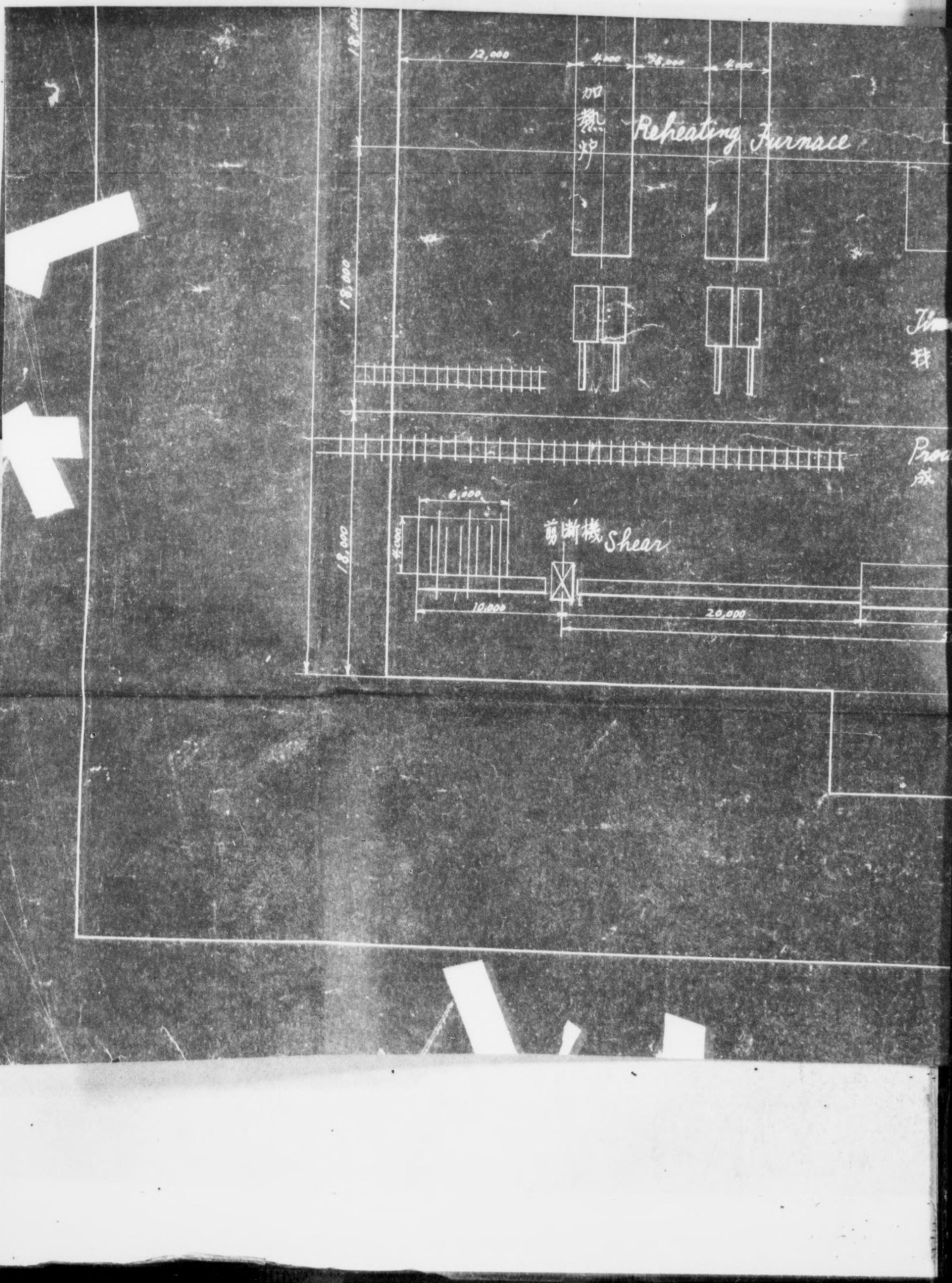
分塊ロール機
3 high Blooming Mill

分塊圧延設備

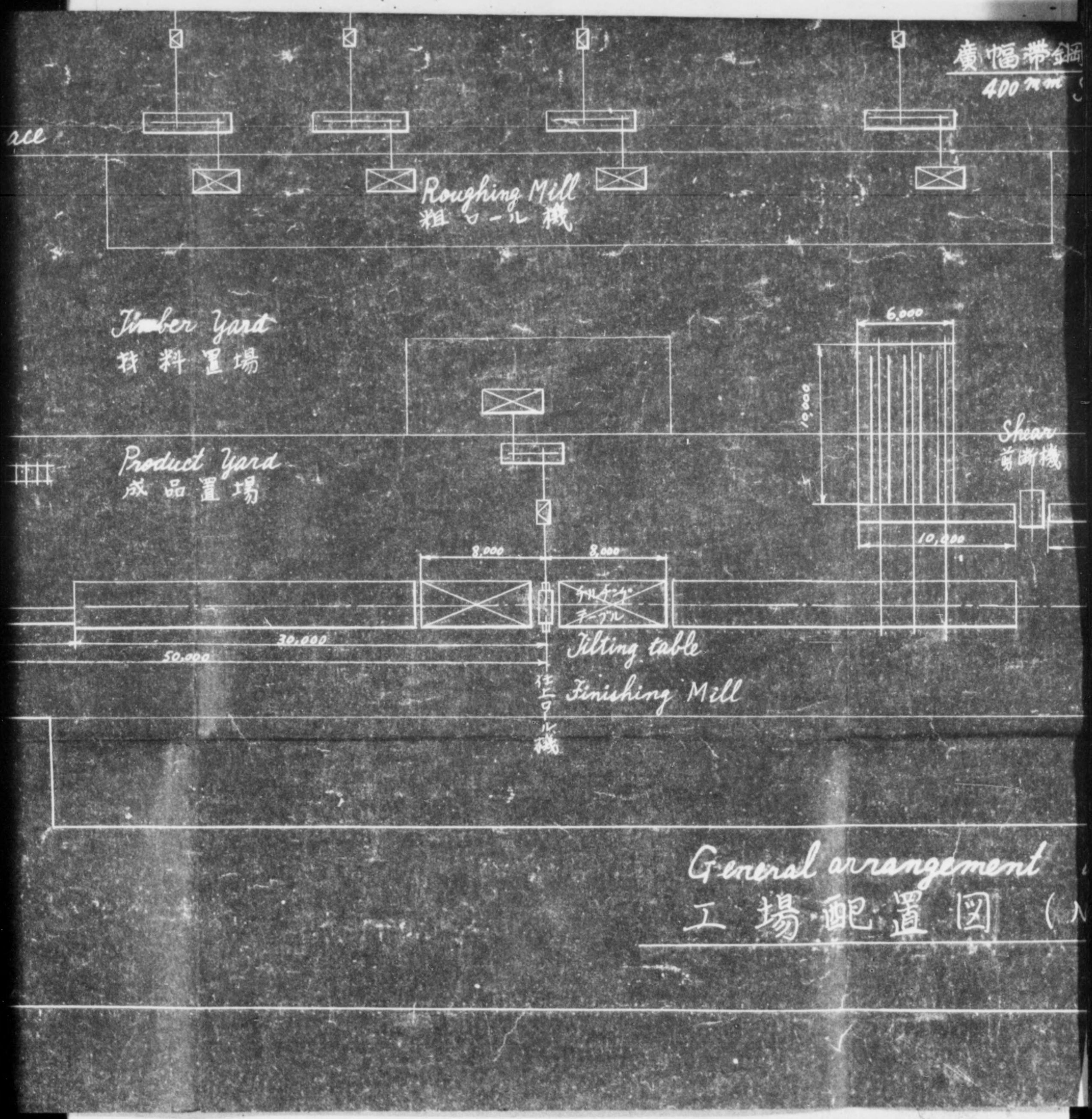
DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

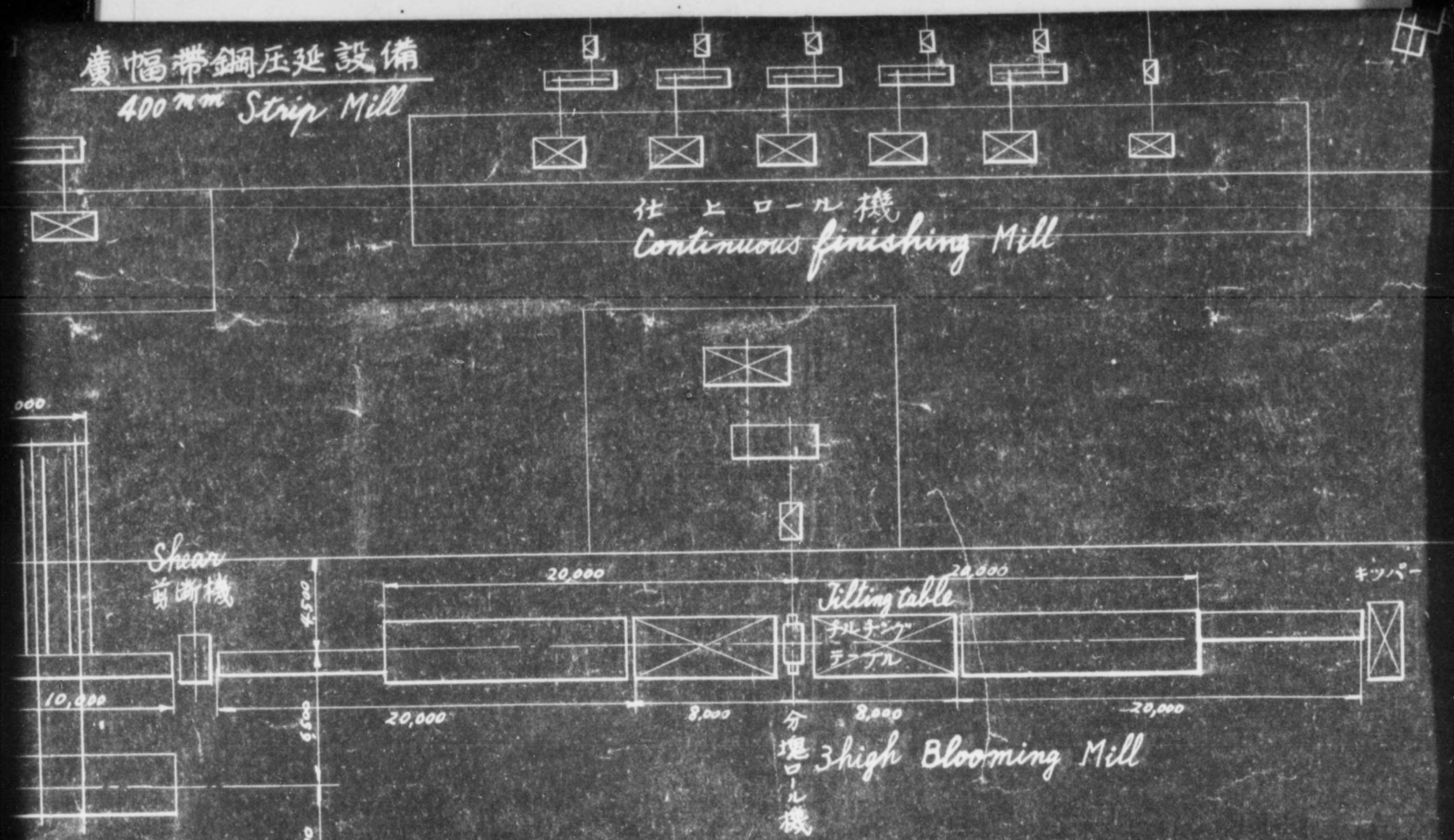


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



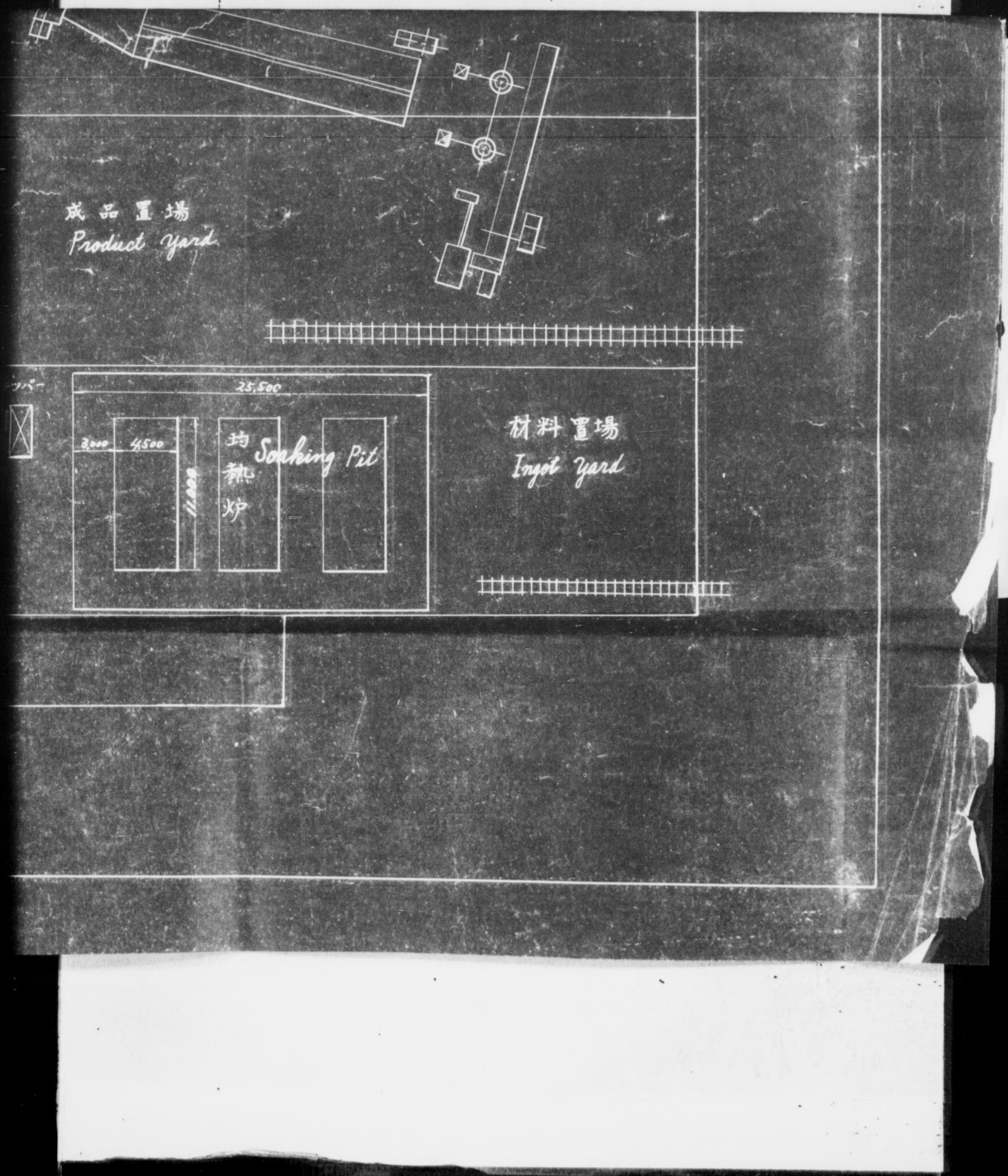
General arrangement
工場配置図 (

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



rangement of each mill
置図 (NO. 2) scale 1/300

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



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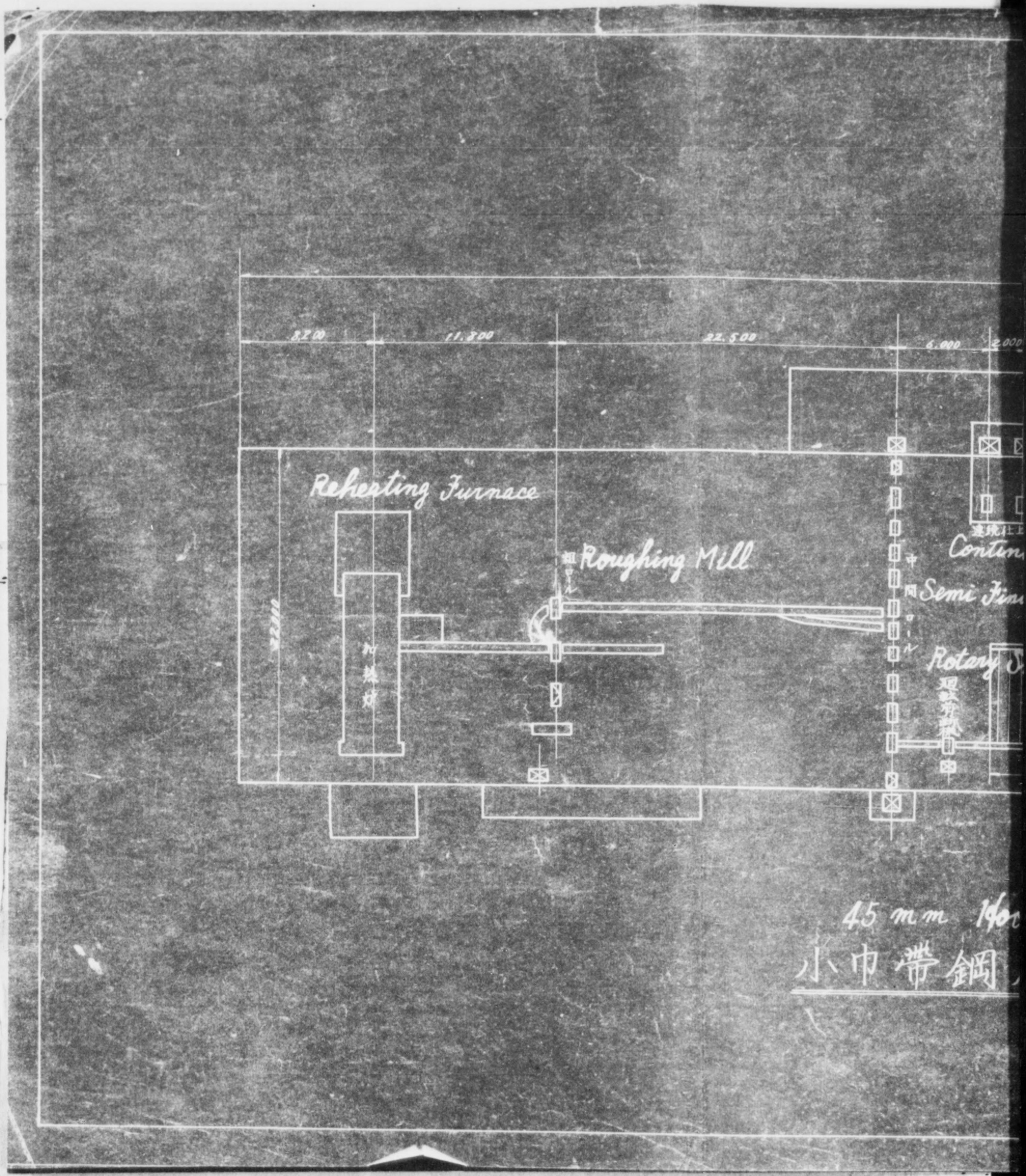
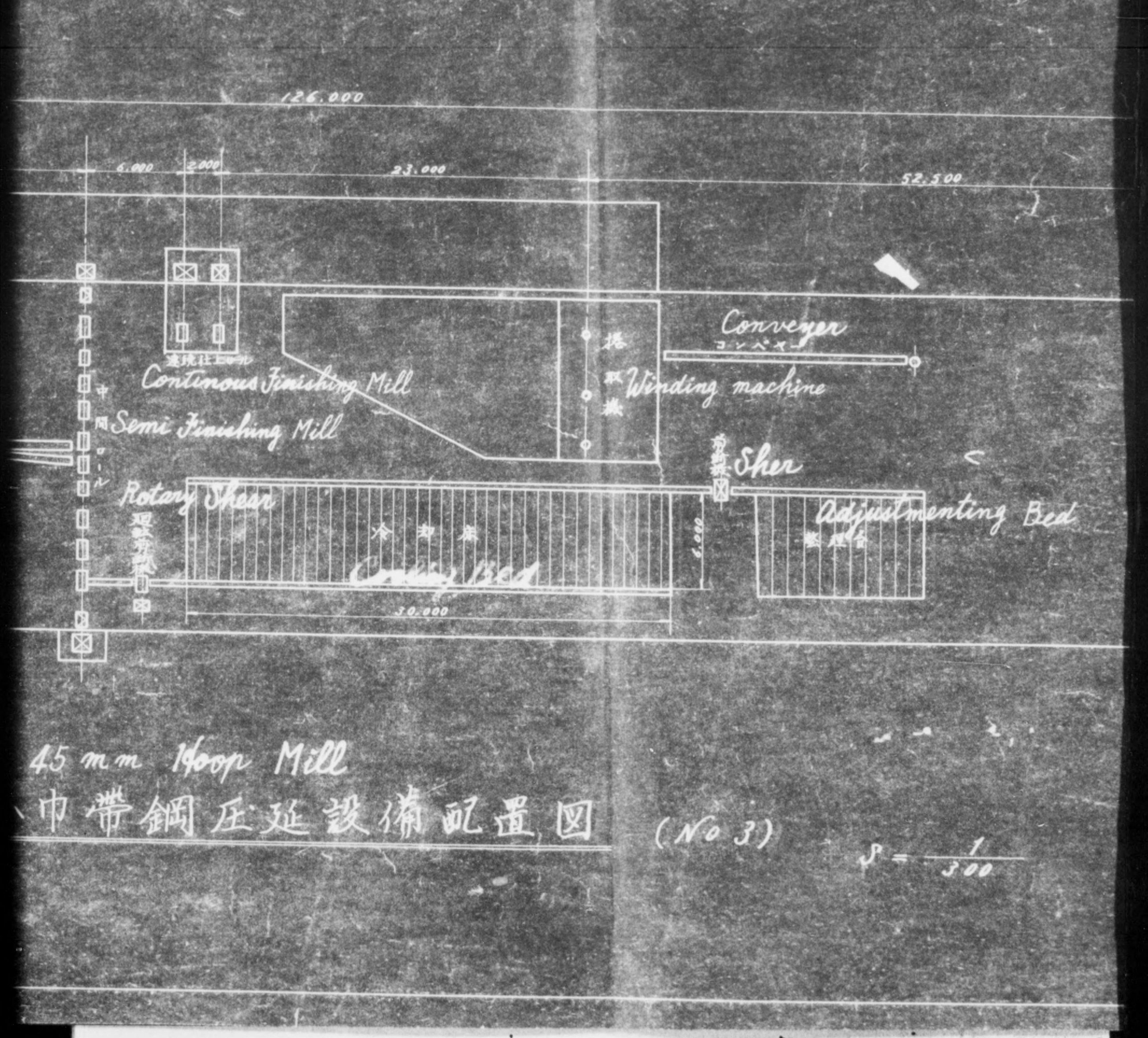


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



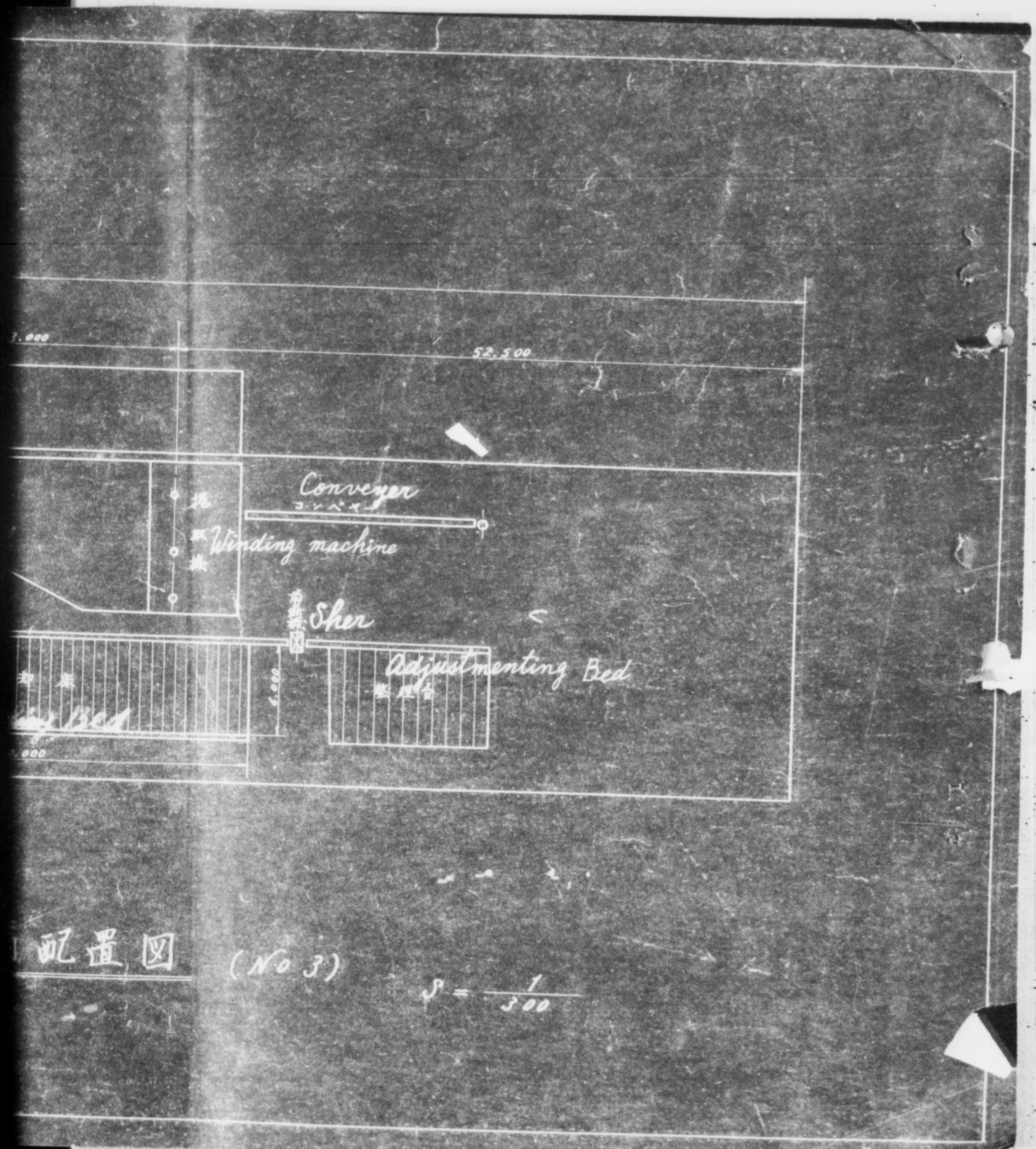
45 m.m Hoop Mill

巾帯鋼圧延設備配置図

(No 3)

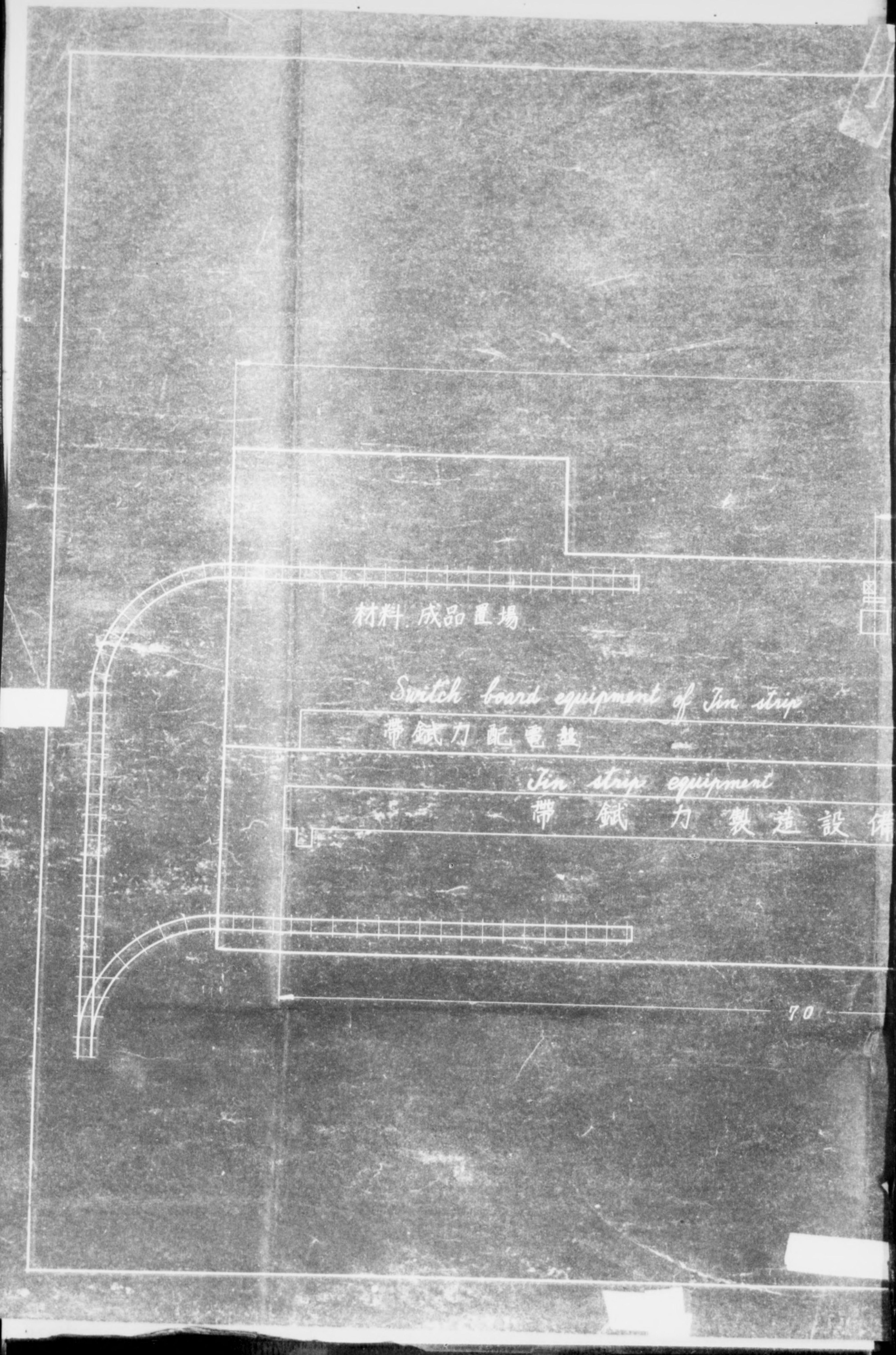
S = 1/300

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



配置図 (No 3) $S = \frac{1}{300}$

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

1 400mm Cold strip mill and tin 帶鋼冷間圧延設備及帶鉄

37

酸洗及洗浄設備
Acid washing cleaning equipment

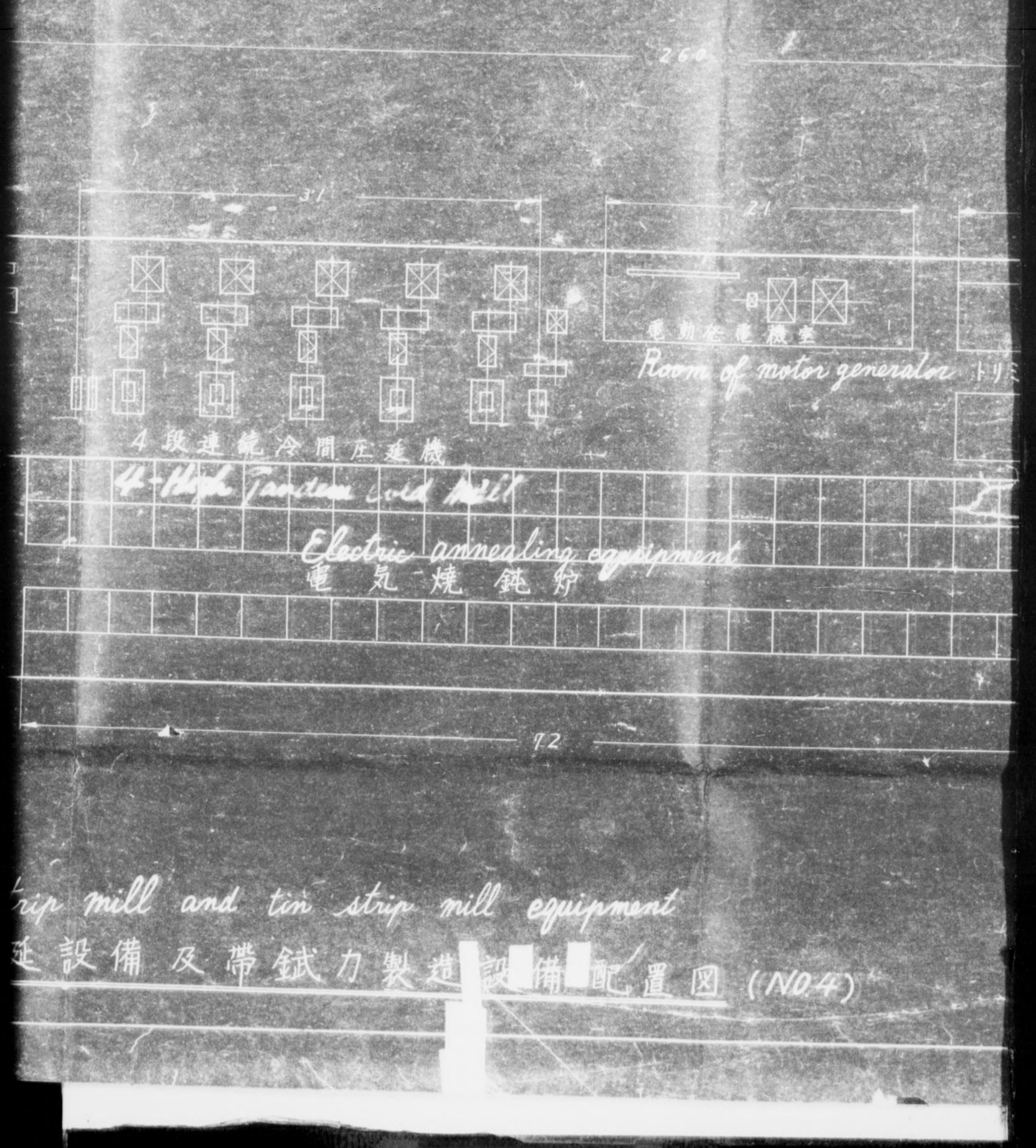
37

4段連続冷間
4-High Tandem
Ele
電

70

ip

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



Strip mill and tin strip mill equipment
延設備及帯鉄力製造設備配置図 (NO.4)

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

18

neraior トリミングシャー

4段調質圧延機
Skin Pass roll

6

55

Electrolytic cleaning e
電気清浄装置

Electric annealing e
電気焼鈍炉

1/300

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

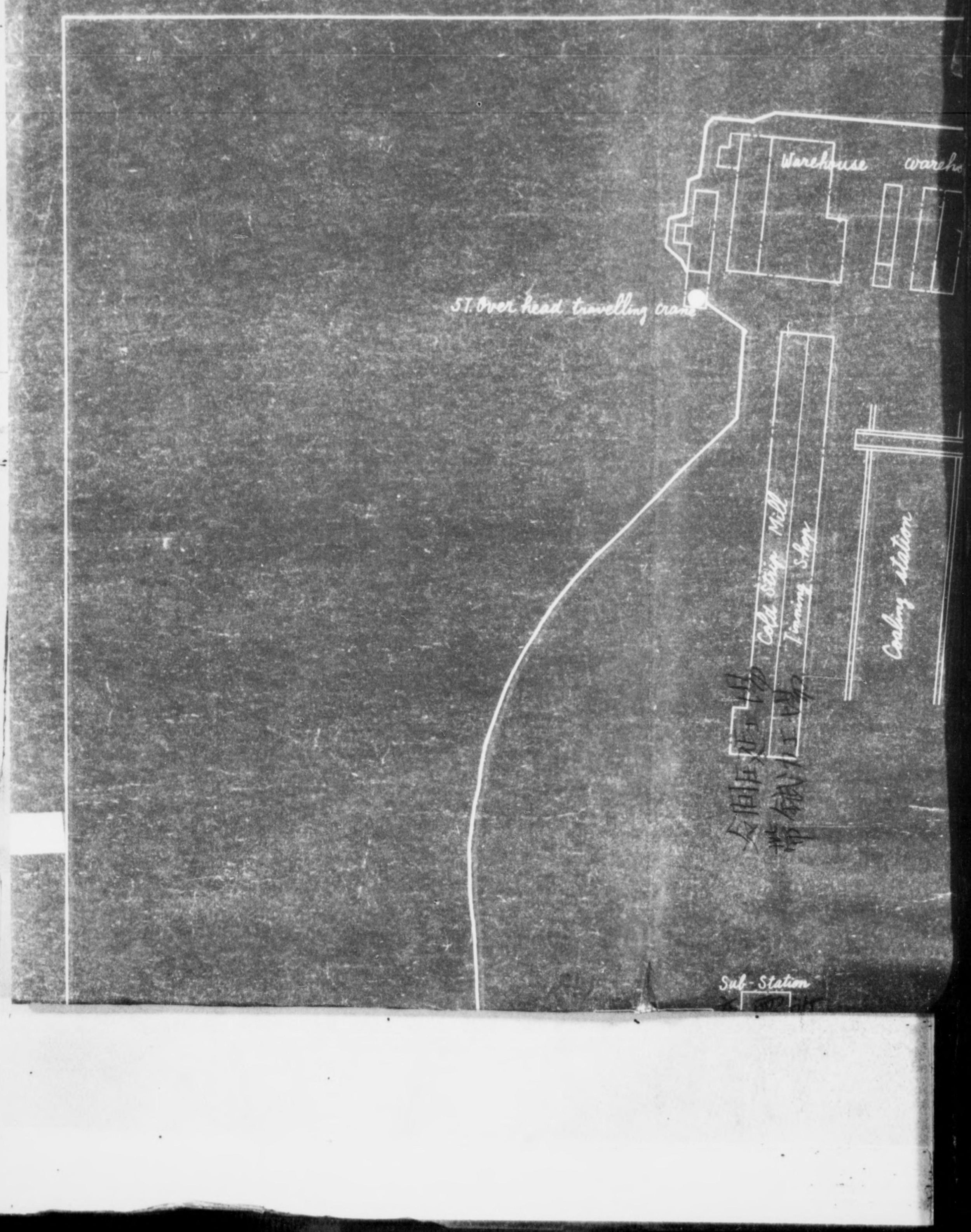
55

aning equipment
装置

nealing equipment
炉

69

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

(1) Area of Land (敷地面積) 111.300 tsubo 坪

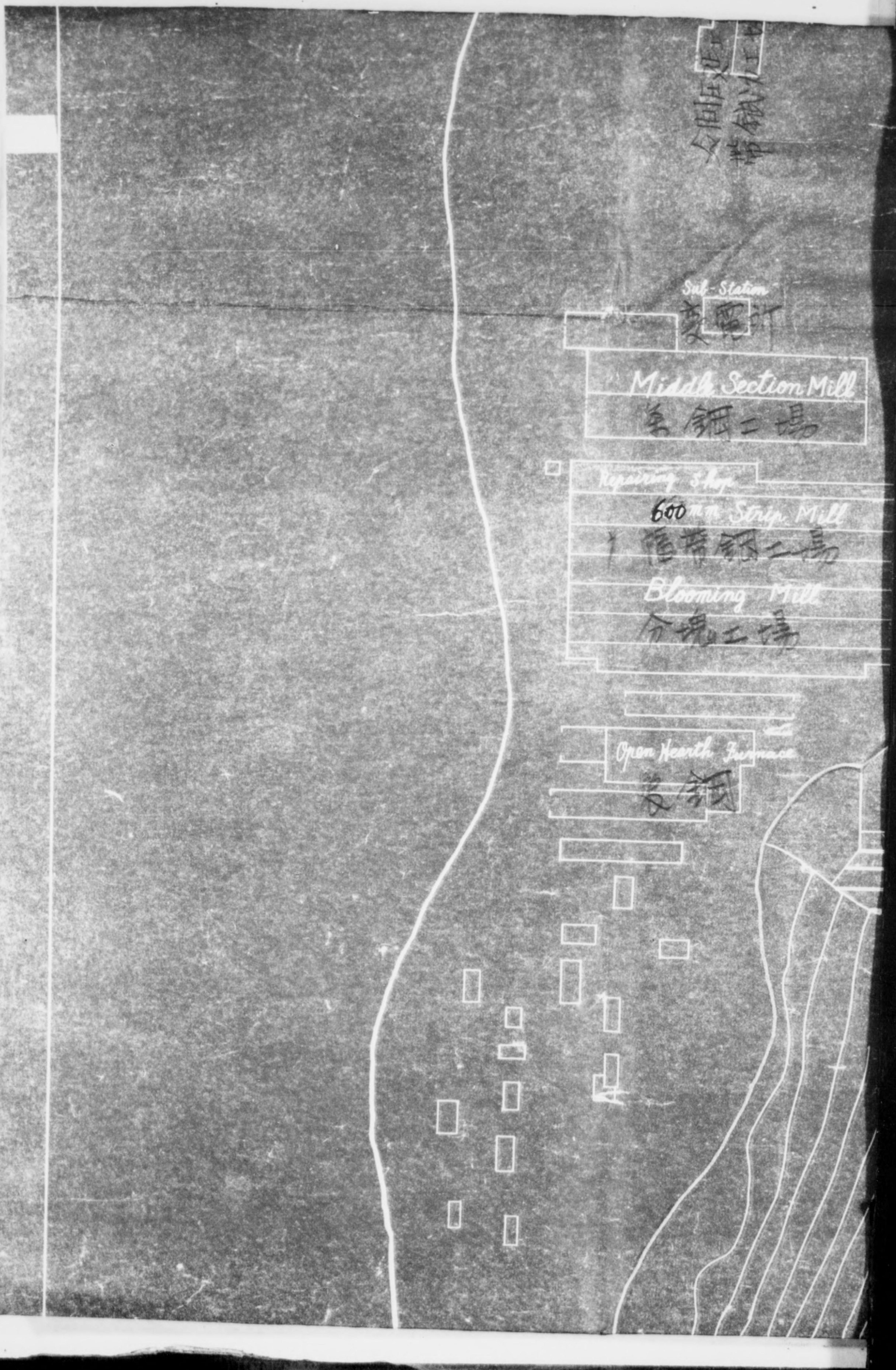
(2) Area of Building (建家面積) 20.974 tsubo 坪

Details (明細)

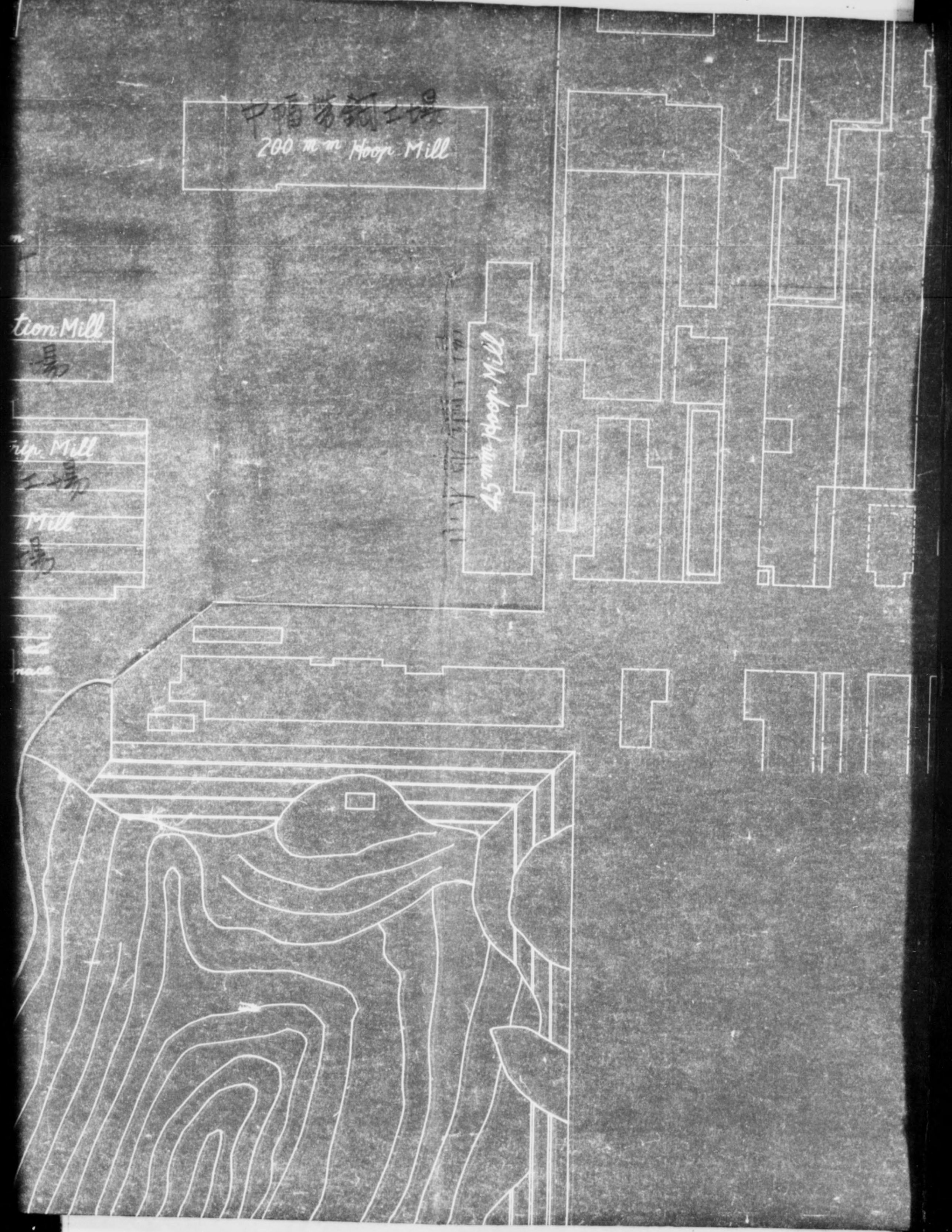
Equipment	設備	area tsubo
Open Hearth Furnace	製鋼工場	2.160
Office	事務所	370
Blooming Mill	分塊工場	3.540
550mm Strip Mill	廣幅帶鋼工場	3.540
200mm Hoop Mill	中幅帶鋼工場	1.302
Middle Section Mill	條鋼工場	700
Repairing Shop	整備工場	665
45mm Hoop Mill	小幅帶鋼工場	2.712
Sub-Station	変電所	190
Cold Strip Mill	冷間圧延工場	1.150
Tinning Shop	錫鍍力工場	1.100
Warehouse	倉庫	1.790
Besides	その他	1.755
Total	合計	20.974

(3) Area of with-drawal building 3.400 tsubo

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

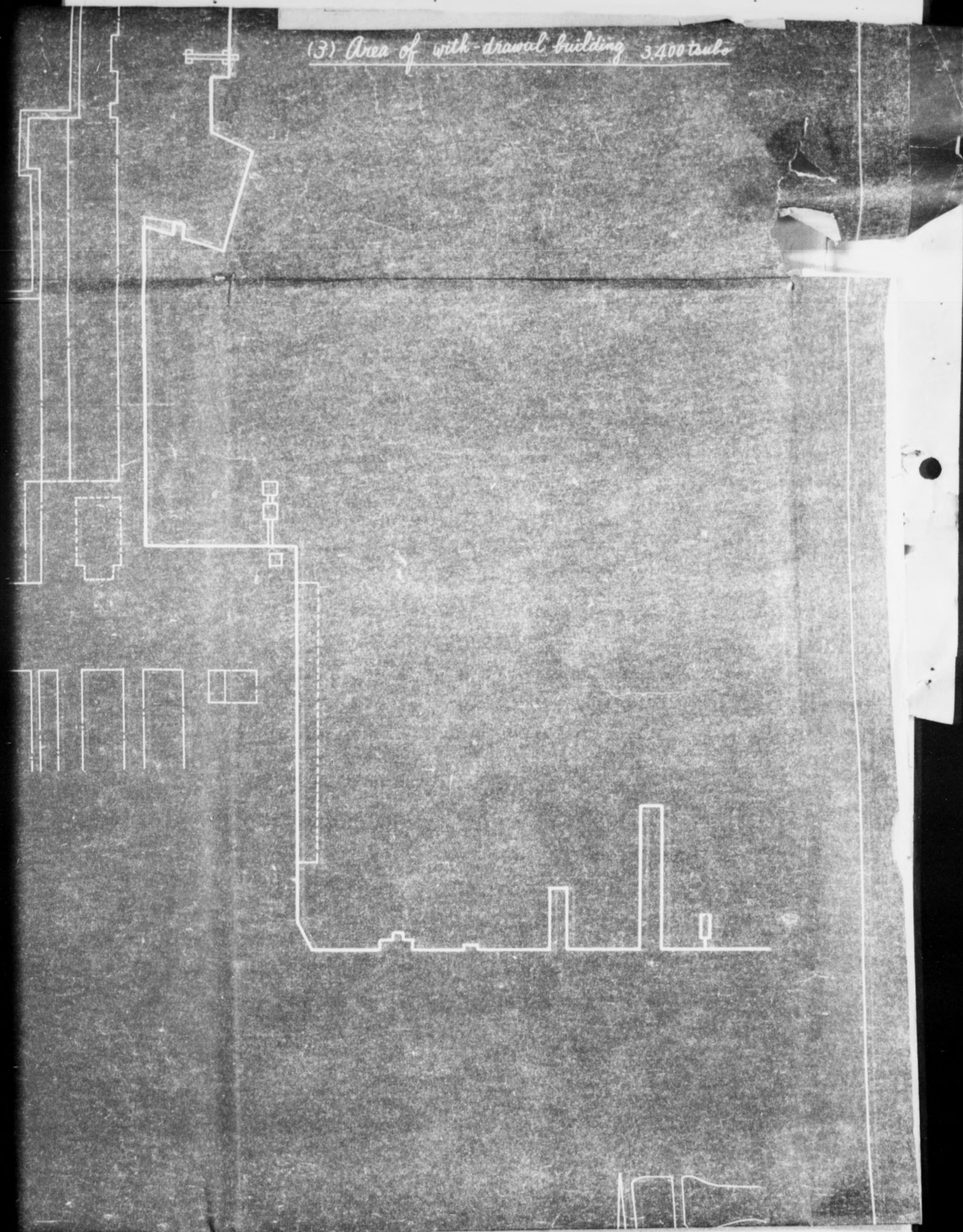


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

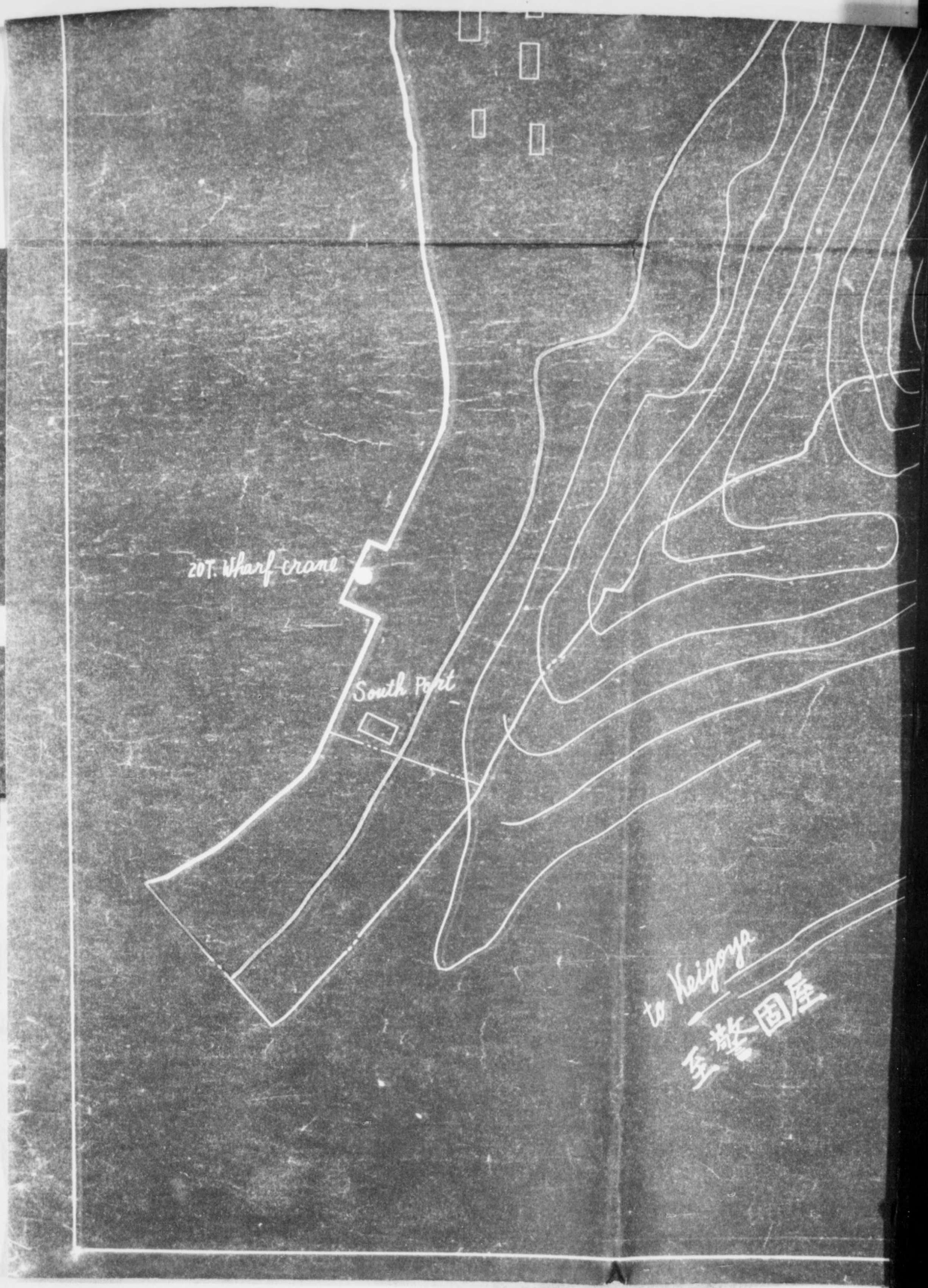


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

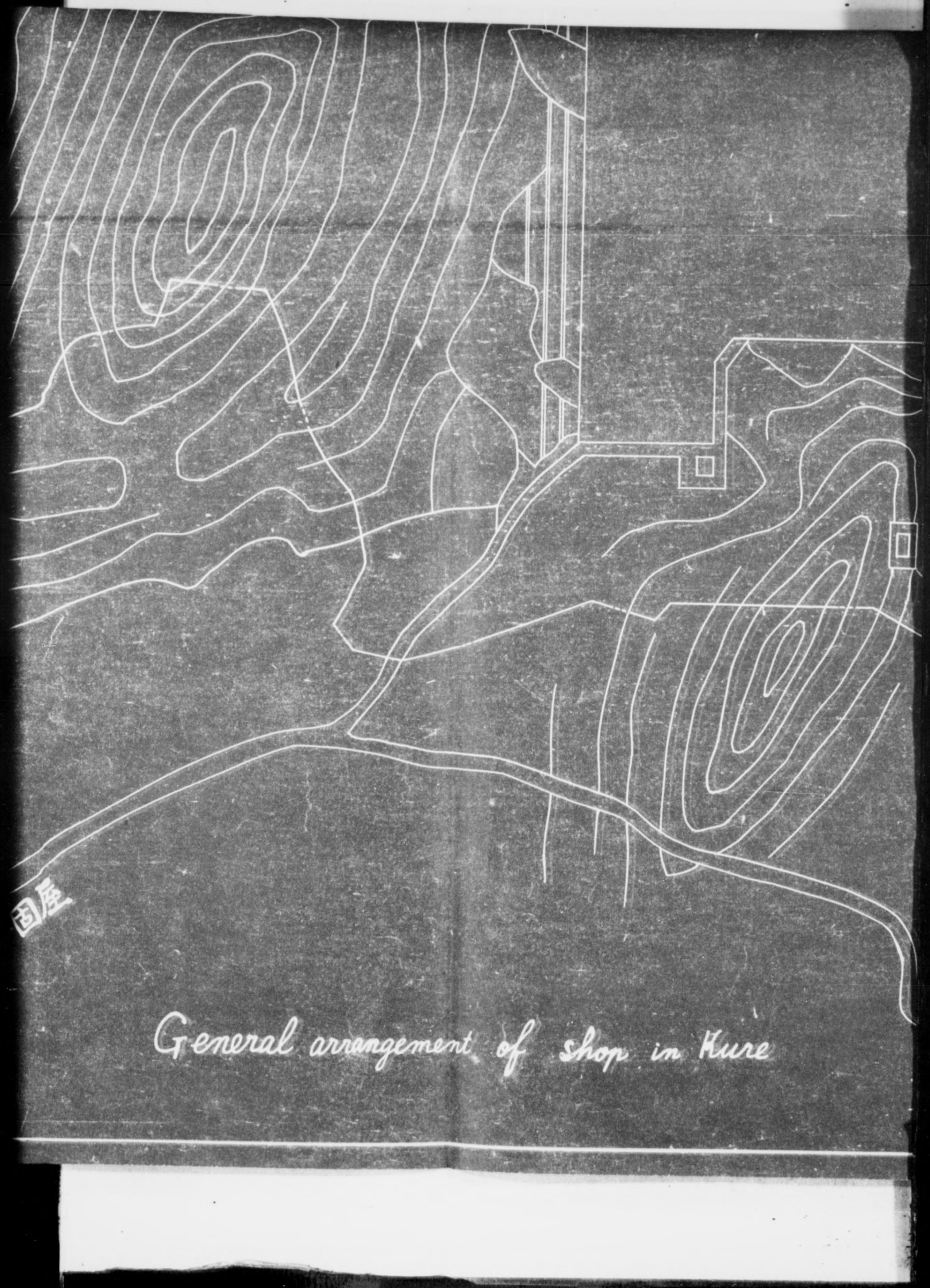
(3) Area of with-drawal building 3.400 tsubo



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

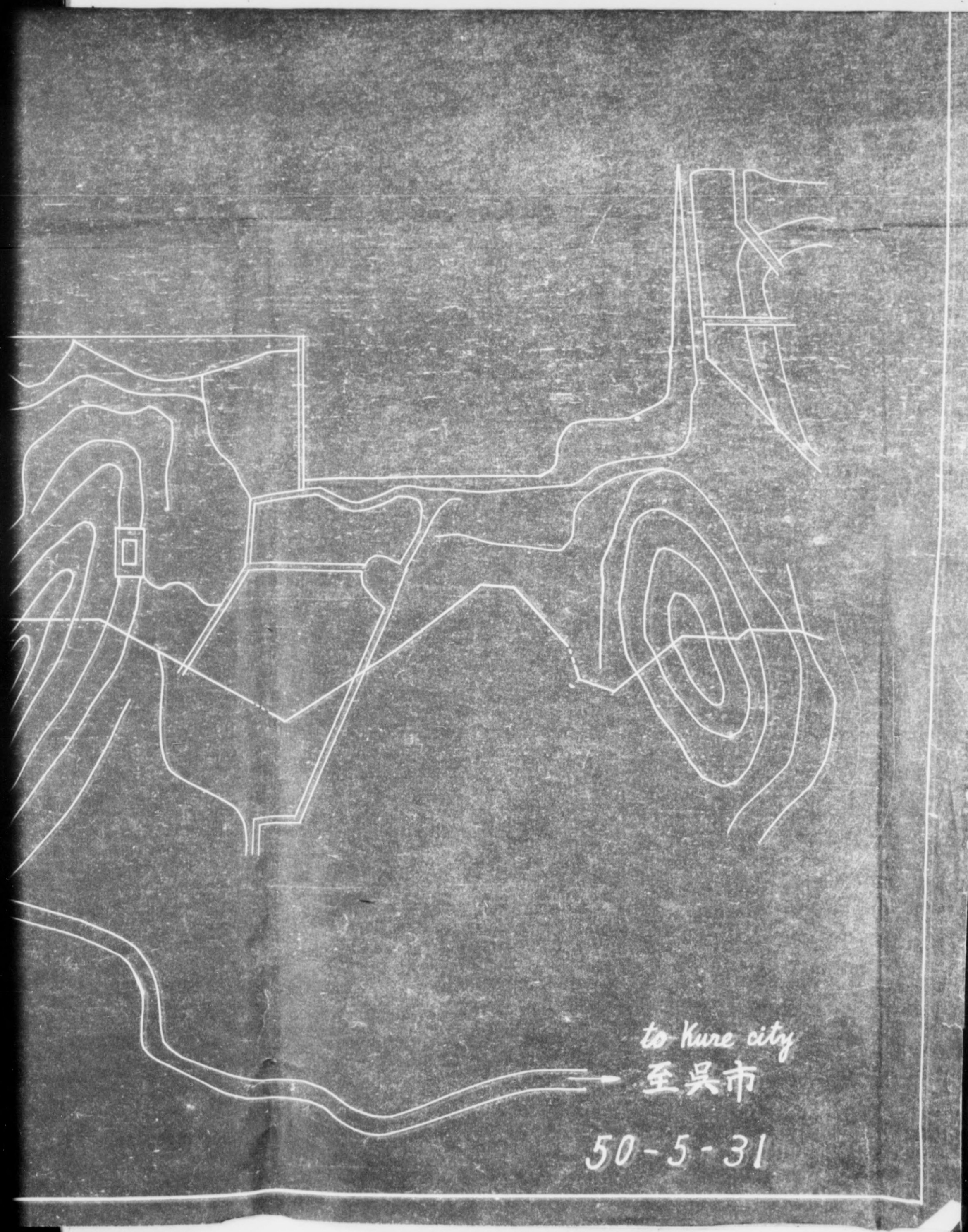


DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



General arrangement of shop in Kure

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013



DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
CHUGOKU CIVIL AFFAIRS REGION
APO 248 (Kure, Honshu)

D/FPL/fk

CCAR 386.8

6 April 1950

SUBJECT: Repair of Reparation Items

TO : Chief
Civil Affairs Section
GHQ, SCAP
APO 500

1. Information requested in telephone conversation of 4 April 1950 between Mr. Woodward, SCAP, Civil Affairs Section and Mr. Lord this headquarters is forwarded herewith.

2 Incls
1. Est of Cost to Repair Hydraulic Presses in Amagasaki Area.
2. Est of Cost to Repair Plate Rolling mills in Amagasaki Area.

FRANK KOWALSKI, JR
Colonel, Inf
Chief

11-5(6) Hist VII

Subject File No. 704

RSS HCK

ECON 904

11-5(6) SEC. XVII

SYM/th

KFL No. O-43

30 March 1950

EST OF COST TO REPAIR

Subject: HYDRAULIC PRESSES IN AMAGASAKI AREA

Code No. of Presses	Class	Specification	Maker	Year-made	Condition	Est. Repair cost	Days required for Repair
11-5(6) - 242	2	Vert.-6,000t. cap. Plate bending. work. press. 465kg/cm^2 Distance cross head to table 2100mm Stroke 1016mm Size: L 13,500mm W 6,000mm H 3,000mm Weight: 600t	Davy Bros.	1908	gauge missing	11,400,000	12 months
11-5(6) -3372	2	Vert.-1,000t. cap. Stroke spindle 1500mm Size of table 1800x210x1500mm Work. press. 95kg/cm^2 Dia. of spindle 1200mm Size: L 4,000mm W 3,500mm H 8,000mm Weight: 300t	Kure Naval Arsenal	1944	Motive power attachment broken	Included in the above press of No. 242.	
11-5(6) -1817	2	Vert.- " tons pressure 4,000t Max. dist. between column 2300mm, No. of column 2, ram dia 1250mm ram stroke 8200mm Work. pressure 470kg/cm^2		1938	-	1,813,130	14 months

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

Code No. of Presses	Class	Specification	Maker	Year-made	Condition	Est. Repair cost	Days required for Repair
		No. of ram: 1 Size: L 10,000mm W 5,000mm H 5,000mm Weight: 450 t					
11-5(6)-1735	1	Vert.-tons pressure 1,000 ton, work. pressure 37kg/cm^2 Distance between column 1,200x2,000mm Dist. spindle to table 440mm ram stroke 440mm ram dia 650mm Size: L 2,600mm W 2,000mm H 8,000mm Weight: 100 tons	Kojima Seisakusho, Japan	1944	Lifting valve broken	870,000	7 months
11-5(6)-1658	1	Vert.-2,000 t pressure Work. pressure 300 kg/cm^2 Ram dia 950mm Stroke 500mm Distance between column 1300x2000mm Size: L 7,400mm W 2,500mm H 9,000mm Weight: 45 t	Hydraulic, Germany	1936	Anvil damaged, 3 gauges missing, Adjustable legs missing, Jig lift gear missing	2,100,000	7 months
11-5(6)-1661	1	Vert.- tons pressure 1,200t Dia. of press table 550mm Work. pressure 310kg/cm^2	Baumbo, Germany	1934	Gauge missing, Anvil missing	Included in the above press of No. 1658	

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

Code No. of Presses	Class	Specification	Maker	Year-made	Condition	Est. Repair cost	Days required for Repair
		Ram dia 710mm Distance between column 1250x620mm No. of column: 4 Size: L 3,400mm W 2,100mm H 5,750mm Weight: 15 tons					
11-5(6) -1864	3	Vert.-forging-Tons pressure 8,000t Max. dist. between spindle to table 3900mm ram stroke 2900mm Dist. between column 1480x5000mm No. of column: 4 Working press. 470kg/cm^2 Ram dia 1067mm No of ram: 2 Size: L 7,000mm W 4,000mm H18,000mm Weight: 2,000 t	Kure Naval Arsenal 1919		-	11,000,000	14 months

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

SYM/th

KFL No. O-44

30 March 1950

Subject: PLATE ROLLING MILLS IN AMAGASAKI AREA

	Code No. 11-5(6)-2088	Code No. 11-5(6)-232
Location:	Bldg. A-6	Bldg A-11
Class:	3	2
Specification:	(Hot-2 high plates)	(Hot-2 high plates)
Max. work size:	L.11mxW.5.2mxTh.20mm	L.8.2mxW.4.0mxTh.20mm
Main roll dia:	1219mm	1220mm
Live roll dia:	610mm	300mm
Weight(t):	600t	500t
Overall size:	L.28xW.7xH.7(m)	L.15xW.7.3xH.7.5(m)
Attached steam engines:	a) for main roll evevating Horiz. recipro., 75H.P. 100R.P.M. 2 cylinder. cyl. dia. 200mm stroke 300mm, work pressure 11.25kg/cm^2	a) main roll elevating Horiz. 2 cylinder, recipro, 150 H.P. Work pressure 11.22kg/cm^2, cyl. dia 305mm, stroke 457, 60R.P.M.
	b) for live roll driving the same as main roll elevating	b) live roll driving Vert.-2 cyl.-recipro-150H.P. Work pressure 11.25kg/cm^2 Cyl. dia 305mm, 60 R.P.M. stroke 457
	c) for main driving Vert.-recipro-1,200 H.P. 140 R.P.M.-3 culinders-Cyl. dia 1000mm-Stroke 1219mm,	c) Main driving Vert.-3 cylinders-recipro-1,000 H.P. Working pressure 11.25kg/cm^2,

11-5(6)-232

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

	Steam pressure 11.25kg/cm^2 Overall size: L.10xW.9xH.8(m)	cyl. dia 1,016mm Stroke 1219mm, 140 R.P.M
Maker:	Kure Naval Arsenal	Davy Bothers
Year-made:	1925	1904
Condition of M/C:	Steam engine broken Live roll missing Roll broken Bracket & shaft missing	Pushing up ram missing
Rstimated repair cost:	Y 52,800,000	Y 7,750,000
Days required:	15 months	14 months

Remarks: Boilers, furnaces, generators, economizer, overhead crane, cooling equipment etc. are associated with the above rolling mills for which repairs and reconditioning about Y 367,400,000 is estimated.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
HIROSHIMA CIVIL AFFAIRS TEAM
APO 248

D/SRS/ma

File No: HCAT 386.3 21 July 1949

SUBJECT: Use of Portion of Reparations Area as Parking Space for Municipal Bus

TO : Chief
Kure Branch
Hiroshima Finance Bureau

1. This letter will confirm verbal permission given on 15 July 1949 for the use of approximately 360 square feet of area in the Kaburasaki Branch Workshops of the Harima Shipbuilding Works located near the Kaburasaki Bus Terminal.

JAMES R. TRUDEN
Lt Col TC
Commanding

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

SYM/ts

KFL No. 9-117 13 July 1949

To : Hiroshima Civil Affairs Team

Subject: Application for temporary Use of Reparations Area at Kaburasaki, Aga-machi, Kure City

1. Attached herewith is an application from Mayor, Kure City for Use of certain portion of land at Dainyu, Aga-machi, as park of Municipal Bus.

2. As there is no other suitable place for parking of munipal bus during nights, we recommend the application as reasonable.

3. Kind consideration on this matter will be greatly appreciated.

K. Yamashita

KATSUTOSHI YAMASHITA
Chief of Kure Reparations Branch,
Hiroshima Finance Office.

Enclosure:

Application of Mayor, Kure City.
Sketch showing proposed car-park.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

KURE CITY HALL

KURE

SUBJECT: A Bus Parking

TO : Officer Commanding, H.M.G.T.,Kure.

FROM : Tedate Suzuki, Mayor of Kure City.

20 June, 1949.

A new bus-line was opened between Kaigan-dori (Aga-machi) and Kaburasaki from June 10, 1949. As the first bus in the morning leaves 06:30 hours, the last bus must be kept at the Kaburasaki terminal to pass a night there. We tried to find out a site for the purpose in the neighborhood, but there was no proper place.

We should be much obliged if a part of the site of Kaburasaki Branch Workshops of Harima Shipbuilding Works, which is now under the power of GHQ SCAP, would be allowed us to use on conditions under-mentioned:

1.	Period	from June 20, 1949 to March 31, 1950
2.	Area	360 sq.ft.
3.	Hours	from 20:00 hours to 07:00 hours

Anticipating that you will give the matter a spècial consideration, we remain,

Yours faithfully,

T. Suzuki

T. Suzuki, Mayor.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 77 5013

KABURASaki OXYGEN PLANT,
HARIMA DOCK

Oxygen Pumps

Workshop

Switching House

Boundary Fence

Road to Kegoya

Kaburasaki Town

Ware house

Proposed Bus Park

Guards

Bus Terminal

To Aga

Shed

Bath

Office

SEA

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
HIROSHIMA MILITARY GOVERNMENT TEAM
APO 248

D/FMK/mn

File No: HMGT 386.3

10 March 1949

SUBJECT: Installation of Police Telephone for the Purpose of Better Contact Between Hiroshima Finance Bureau, Kure Branch and State Property Branch, Hiroshima Finance Bureau, during the Packaging Program being conducted at Steam Power Plant 11-5(14) Kure

THROUGH: Director
Chugoku Liaison and Coordination Office
Kure, Japan

TO : Chief
Kure Branch
Hiroshima Finance Bureau

1. Reference: letter Hiroshima Finance Bureau, dated 8 February 1949, subject: "Petition on Installation of Police Telephone".

2. The request, rendered in the above referenced letter is approved by this headquarters.

FOR THE COMMANDING OFFICER:

WILLIAM BAKER
Major, Inf.
Executive-Adjutant

VII

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

CHUGOKU LIAISON AND COORDINATION OFFICE

KURE HONSHU

O.K.

O.K. by Capt. Somers Ed.

Crush

HRL No. 65 21 February 1949

SUBJECT: Petition on Installation of Police Telephone.

TO : Commanding Officer,
Hiroshima Military Government Team.

Transmitted herewith petition on above subject, dated 8 February 1949 from the Director of Hiroshima Finance Bureau for your consideration.

Osamu Itagaki

O. Itagaki,
Director,
Chugoku Liaison and Coordination Office.

Inclosure: as indicated above.

MY/ta

1621

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

February 8, 1949

Lt. Col. T. M. Cloward
Commanding Officer
Hiroshima Military
Government Team

Subject: Installation of Police Telephone

Dear Sir:

We are presently preparing and planning the removal of electrification facilities of Ex-Kure Navy Arsenal which is the largest facility in this country in regard to SCAPIN 5825, dtd December 8, 1948. Confronting this difficult task the official's concerned are experting their utmost efforts to fully meet the objective of above mentioned instruction. However the most difficult problem accompanied with subject work is the correspondence and liaison between this office and Kure on spot.

We shall apreciate your troubles if the following situation could be considered and your recommendation be given to the National Police Hiroshima Headquarters to install a police telephone.

Reasons.

1. Under present condition correspondence between Kure and Hiroshima with telegram takes approximately one full day and half day with urgent telephone call.

2. Very few telephones are installed in Hiroshima Finance Bureau and Kure Reparation Branch Office, that they are constantly occupied and are not serviceable at time required for urgent call.

3. Telephone of Hiroshima Finance Bureau are frequently unserviceable, especially on rainy days.

As the circumitances are as above officals concerned in important and urgent reparation affairs in order to carry out reparation business eagerly desire to have a police telephone installed.

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

(1) To take immediate liaison and treatment in regard to urgent instructions of General Headquarters and Military Government on all such occasions between Hiroshima and Kure.

(2) To take immediate liaison and treatment in regard to urgent instructions coming through Liaison and Coordination Office on all such occasions between Hiroshima and Kure.

(3) To take liaison and settle urgent business in regard to removal operation on the spot.

(4) To take liaison if necessary even after the leave of office telephone operators.

(5) To take liaison and make settlements on all occasions between Reparation Affair Section, State Property Division and Reparation Removal Office located in Kure Reparation Branch Office. (Organized with concerned officials of Liasion and Coordination Office, Finance Bureau, Special Procurement Board, Commerce and Industrial Bureau, Railroad Bureau, Maritime Bureau and Kure Reparation Branch Office.)

Terms: From Feburary 11, 1949

To October 31, 1949

Place and Quantity:

Place	Quantity	Remarks
State Property Division Hiroshima Finance Bureau	1	To be connected with operation board of prefectural Office.
Kure Reparation Branch Office Hiroshima Finance Bureau	1	To be connected with operation board of Kure Prosecutor's Office

Yours respectfully

M. Takahashi

Mamoru Takahashi
Director of Hiroshima
Finance Bureau

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HEADQUARTERS
HIROSHIMA MILITARY GOVERNMENT TEAM
APO 248

D/FAK/mn

File No: HMGT 386.3 28 February 1949

SUBJECT: Erection of Battery Charging Sites - Harima Dock, Kure

THROUGH: Director
Chugoku Liaison and Coordination Office
Kure, Japan

TO : Chief of Kure Branch
Finance Bureau

1. References: Letter Hiroshima Finance Bureau KFL No.9-35, dated 22 February 1949, subject; "Application for Erection of Battery Charging Sites - Harima Dock, Kure."

2. The subject application is approved by this headquarters. However materials necessary for the erection of the sites will be obtained through the proper legal channels.

FOR THE COMMANDING OFFICER:

WILLIAM BAKER
Major, Inf.
Executive-Adjutant

VII

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DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

CHUGOKU LIAISON AND COORDINATION OFFICE
KURE HONSHU

HRL No. 68 23 February 1949

SUBJECT: Application for Erection of Battery Charging Sites - Harima Dock, Kure.

TO : Commanding Officer,
Hiroshima Military Government Team.

Transmitted herewith application on above subject, dated 22 February 1949 from the Chief of Kure Branch, Hiroshima Finance Bureau for your consideration.

Osamu Itagaki

O. Itagaki,
Director,
Chugoku Liaison and Coordination Office.

Inclosure: KFL No. 9 - 35 dated 22 Feb. '49.

MY/yt.

1641

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

SYM/ts

KFL No. 9-35 22 February 1949

To : Hiroshima Military Government Team

Through: Chugoku Liaison and Coordination Office

Subject: Application for Erection of Battery Charging Sites - Harima Dock, Kure

1. The present battery charging sites within the Kure Dock, Harima Shipbuilding Co. are too small to accomodate all battery cars at one time and the company applies for the permission to erect two new charging sites at bldg. No. 3 and 12 by fixing eaves to protect the battery cars from the rain.

2. All necessary materials and expenses will be covered by the company.

3. The Finance Bureau thinks the measures to be necessary for the protection of reparations machines in use and recommends the application.

4. Kind consideration on your part will be greatly appreciated.

for K. Yamanaka

for KATSUTOSHI YAMASHITA
Chief of Kure Reparations Branch,
Hiroshima Finance Bureau

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

HIROSHIMA FINANCE BUREAU

18 Jan. 49

Capt. Dugga
Mr. Kinnaman

On Friday, 14th. Jan. the Chinese engineers now inspecting the Power Plant took out about 70 copies of drawings without consent of the assistant custodian, Mr. Miki. Dr. Chiang asked Mr. Miki to call a car and the latter went to the Amagasaki office to call the Finance Bureau. When he returned he found one of the lockers open and the Chinese engineers had all the drawings from the locker. Mr. Miki said that he will be discharged if the drawings will be removed without approval of higher authorities. Dr. Chiang said that he will only borrow for a few days and took them home.

In our opinion we understand that all requirements of the resident engineer of recipient nations will be transmitted to Japanese Gov'ts through the Military Gov'ts concerned in accordance with OD 5/11 dated 6 Oct. 1947.

The above for your information.

S Yamanaka
Finance Bureau

VII

23

Power Plant in Mizuno area - designated for China.
11-5(14) Jan. ?

Capt. Dugge

For your information. (Ref. is the map of the Power Plant)

			(Round)
1.	a.	Delay of removal work in case Bldg. B stays	one (1) month
	b.	Additional expenditure required in case Bldg. B stays	700,000 Yen
2.	a.	Expenditure required for the removal of two thirds(2/3) of Bldg. B	149,000 Yen
	b.	Expenditure required for the removal of the whole Bldg. B	213,000 Yen
3.	a.	Estimated price of two third(2/3) parts of Bldg. B	448,000 Yen
	b.	Estimated price of the whole Bldg. B	879,000 Yen

Remark:

The removal expense of the Bldg. B is to be covered by selling the demolished part and it will not be included in the cost of reparations removal, in case the demolished part be released to Japanese Government.

Mr. Kinnaman has this copy too.

Gamanaka

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VII Misc. ~~VI~~ ~~B~~

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDC NO. 775013

HIROSHIMA FINANCE BUREAU

Dimension & Weight of Bigger Stuffs to be removed from Power Plant, Kure

Turbine Room

(Name)	(No.)	(Size in m/m)	(Weight in kg)
Upper casing of Turbine	1	4000 x 2500 x 1000	10,000
Lower casing of Turbine	1	4500 x 3900 x 2100	20,000
Rotor of Turbine	1	4500 x 1800 x 1800	15,000
Condenser	1	7504 x 2970 x 3850	40,000
Circulating pump	2	1600 x 1600 x 3300	7,500 each
Evaporater	2	1290 x 1680 x 3200	5,000 each
Feed water heater	2	1000 x 1200 x 3700	4,000 each
Generator stater	1	3800 x 2610 x 3960	34,500
Generator rotor	1	775 ø x 5650	10,000
Frame of overhead crane	8	1800 x 1500 x 6000	Max. 5,000
Frame of winch	1	2800 x 2500 x 800	12,000

Boiler Room

Boiler drum	6	1377 ø x 6685	12,000 each
Beam (of structure)	4	620 x 450 x 8000	12,000 each
Air preheater	2	3120 x 2380 x 1620	10,000 each
Ash hopper	4	3500 x 2200 x 1800	2,500 each

DECLASSIFIED E.O. 12065 SECTION 3-402/NNDG NO. 775013

CHUGOKU LIAISON AND COORDINATION OFFICE
KURE HONSHU

HRL No. 208 18 October 1948

SUBJECT: Damage of Reparation Boat by Touching Mine at Ourasaki Coast, Aki-gun.

TO : Commanding Officer,
Hiroshima Military Government Team.

11-5(5)
III

Attached is a report submitted by the Chief of Kure Branch, Hiroshima Finance Bureau for your information, dated 18 October 1948, subject: "Mine Touching at Ourasaki Coast, Akigun."

O. Itagaki

O. Itagaki,
Director,
Chugoku Liaison and
Coordination Office.

Inclosure: KFL No. 200
SMA/sma

9629