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HOOGOVENS USA, INC. AND SUBSIDIARIES

AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Years ended March 31, 2015 and 2014

CONTENTS

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REPORT OF INDEPENDENT AUDITORS

TO THE BOARD OF DIRECTORS OF
HOOGOVENS USA, INC. AND SUBSIDIARIES
WARREN, OHIO

We have audited the accompanying consolidated financial statements of Hoogovens USA, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of March 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Hoogovens USA, Inc. and Subsidiaries as of March 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 24-29 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Packer Thomas

New Castle, Pennsylvania
June 17, 2015

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

ASSETS	March 31, 2015	March 31, 2014
CURRENT ASSETS		
Cash	**$ 12,348,020**	$ 11,193,657
Accounts receivable		
Trade	**8,754,120**	10,645,375
Affiliated companies	**681,571**	594,053
Miscellaneous	**480,301**	90,759
Total accounts receivable	**9,915,992**	11,330,187
Inventories		
Work in process and finished goods	**11,952,270**	9,569,799
Raw materials and supplies	**6,260,825**	6,138,523
Total inventories	**18,213,095**	15,708,322
Note receivable from affiliated company	**6,600,000**	6,600,000
Prepaid expenses and other current assets	**599,735**	566,462
Federal income tax refundable	**232,000**	280,000
Deferred federal income taxes	**1,775,169**	2,331,424
TOTAL CURRENT ASSETS	**49,684,011**	48,010,052
PROPERTY, PLANT AND EQUIPMENT		
Land	**5,151,669**	5,151,669
Buildings	**38,559,604**	38,389,818
Machinery and equipment	**212,669,110**	213,393,937
Computer software	**8,266,568**	8,266,568
Gas well	**290,613**	290,613
Construction in progress	**461,961**	310,278
	265,399,525	265,802,883
Less accumulated depreciation	**245,969,393**	241,360,968
NET PROPERTY, PLANT AND EQUIPMENT	**19,430,132**	24,441,915
OTHER ASSETS		
Deferred federal income taxes	**33,828,079**	28,852,329
Other	**110,666**	108,419
TOTAL OTHER ASSETS	**33,938,745**	28,960,748
TOTAL ASSETS	**$ 103,052,888**	$ 101,412,715

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

LIABILITIES AND STOCKHOLDER'S EQUITY	March 31,	
	2015	2014
CURRENT LIABILITIES		
Bank overdrafts	**$ -**	$ 4,184
Accounts payable		
Trade	**2,672,729**	3,502,584
Affiliated companies	**1,173,862**	2,807,375
Total accounts payable	**3,846,591**	6,309,959
Accrued vacation	**902,703**	981,648
Other accrued liabilities and expenses	**4,529,394**	3,980,496
Current portion of accrued pension and postretirement benefits	**6,554,218**	9,669,036
TOTAL CURRENT LIABILITIES	**15,832,906**	20,945,323
OTHER LIABILITIES		
Notes payable to affiliated company	**7,000,000**	7,000,000
Accrued workers' compensation	**566,033**	887,815
Accrued pension liability	**52,369,825**	35,497,289
Accrued postretirement benefits	**7,402,798**	9,574,243
TOTAL OTHER LIABILITIES	**67,338,656**	52,959,347
TOTAL LIABILITIES	**83,171,562**	73,904,670
STOCKHOLDER'S EQUITY		
Common stock, no par value; 1,000 shares authorized, 100 shares issued and outstanding	**100**	100
Additional paid-in capital	**71,331,657**	71,331,657
Accumulated earnings (deficit)	**29,606**	(4,042,191)
Accumulated other comprehensive loss, net of tax	**(51,480,037)**	(39,781,521)
TOTAL STOCKHOLDER'S EQUITY	**19,881,326**	27,508,045
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$ 103,052,888**	$ 101,412,715

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years ended March 31, 2015	%	2014	%
NET SALES	**$ 124,417,216**	**100.00**	$ 122,429,532	100.00
COST OF GOODS SOLD	**93,972,396**	**75.53**	95,652,164	78.13
GROSS PROFIT	**30,444,820**	**24.47**	26,777,368	21.87
OTHER OPERATING EXPENSES				
Depreciation, depletion and amortization	**6,223,610**	**5.00**	6,693,455	5.47
Selling, general and administrative expenses	**17,655,068**	**14.19**	18,025,038	14.72
TOTAL OTHER OPERATING EXPENSES	**23,878,678**	**19.19**	24,718,493	20.19
INCOME FROM OPERATIONS	**6,566,142**	**5.28**	2,058,875	1.68
OTHER INCOME AND (EXPENSES)				
Interest expense	**(163,227)**	**(0.13)**	(182,524)	(0.15)
Interest income	**120,298**	**0.10**	94,247	0.08
(Loss) on disposal of property, plant and equipment	**(30,574)**	**(0.02)**	-	-
Profit sharing bonus	**(720,228)**	**(0.58)**	(67,890)	(0.06)
TOTAL OTHER INCOME AND (EXPENSES)	**(793,731)**	**(0.63)**	(156,167)	(0.13)
INCOME BEFORE INCOME TAXES	**5,772,411**	**4.65**	1,902,708	1.55
INCOME TAXES (BENEFIT)				
Current	**93,600**	**0.08**	(3,000)	-
Deferred	**1,607,014**	**1.29**	519,628	0.42
TOTAL INCOME TAXES (BENEFIT)	**1,700,614**	**1.37**	516,628	0.42
NET INCOME	**$ 4,071,797**	**3.28**	$ 1,386,080	1.13

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

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years ended March 31, 2015	2014
NET INCOME	**$ 4,071,797**	$ 1,386,080
OTHER COMPREHENSIVE (LOSS) INCOME (NET OF TAX)		
Unrealized loss on commodity futures contracts	**(536,217)**	(57,621)
Unrealized gain on commodity futures contracts	**536,217**	57,621
Pension and postretirement liability adjustment (net of tax of $6,026,509 and ($3,890,064) for the years ended March 31, 2015 and 2014, respectively	**(11,698,516)**	7,551,302
TOTAL OTHER COMPREHENSIVE (LOSS) INCOME	**(11,698,516)**	7,551,302
COMPREHENSIVE (LOSS) INCOME	**$ (7,626,719)**	$ 8,937,382

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

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	ACCUMULATED EARNINGS (DEFICIT)	ACCUMULATED OTHER COMPREHENSIVE (LOSS)	TOTAL
BALANCE--March 31, 2013	**$ 100**	**$ 71,331,657**	**$ (5,428,271)**	**$ (47,332,823)**	**$ 18,570,663**
Net income	-	-	1,386,080	-	1,386,080
Other comprehensive income	-	-	-	7,551,302	7,551,302
BALANCE--March 31, 2014	**100**	**71,331,657**	**(4,042,191)**	**(39,781,521)**	**27,508,045**
Net income	-	-	4,071,797	-	4,071,797
Other comprehensive loss	-	-	-	(11,698,516)	(11,698,516)
BALANCE-- March 31, 2015	**$ 100**	**$ 71,331,657**	**$ 29,606**	**$ (51,480,037)**	**$ 19,881,326**

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

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years ended March 31, 2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 4,071,797**	$ 1,386,080
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation, depletion and amortization	**6,223,610**	6,693,455
Deferred federal income taxes (benefit)	**1,607,014**	519,628
Loss on disposal of property, plant and equipment	**30,574**	-
(Increase) decrease in assets:		
Accounts receivable	**1,414,195**	(1,650,392)
Inventories	**(2,504,773)**	2,500,868
Prepaid expenses and other current assets	**(27,423)**	20,400
Other assets	**(2,247)**	13,768
Federal income taxes refundable	**48,000**	(75,000)
Increase (decrease) in liabilities:		
Accounts payable	**(2,463,368)**	(660,160)
Other liabilities	**138,138**	130,703
Accrued pension liability	**(1,131,548)**	140,460
Accrued postretirement benefits	**(5,007,204)**	(2,619,144)
NET CASH FLOWS FROM OPERATING ACTIVITIES	**2,396,765**	6,400,666
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(1,254,402)**	(1,704,908)
Proceeds from the sale of property, plant and equipment	**12,000**	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(1,242,402)**	(1,704,908)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on note payable to affiliate	**-**	(5,000,000)
NET CHANGE IN CASH	**1,154,363**	(304,242)
CASH AT BEGINNING OF YEAR	**11,193,657**	11,497,899
CASH AT END OF YEAR	**$ 12,348,020**	$ 11,193,657
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	**$ 162,781**	$ 186,562
Cash paid during the year for income taxes	**$ -**	$ 70,000

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

NOTE A – NATURE OF OPERATIONS

Hoogovens USA, Inc. ("HUSA") is a wholly-owned subsidiary of Tata Steel Limited ("Tata"). HUSA is a holding company for Thomas Steel Strip Corporation ("TSS") which is a manufacturer of cold rolled and preplated steel products, Thomas Processing Company ("TPC"), Hille & Mueller USA, Inc. ("HMU") which is a sales organization, Corus Coatings USA, Inc. ("CCU"), and Apollo Metals, Ltd. ("AML") which is a steel processor. All subsidiaries are wholly-owned by HUSA.

HUSA was formed in 1997 through the contribution of capital stock in TSS and HMU by a predecessor to Tata. The investment values at HUSA were recorded at the historical acquisition cost recorded by the predecessor to Tata. Therefore, recorded investment values may be different from the equity values of the respective subsidiaries because certain historical purchase price allocation adjustments have not been pushed down to the respective subsidiary financial statements.

TPC is a general partnership, organized in the state of Ohio, for the purpose of pickling and slitting hot rolled steel primarily for TSS. The partners of TPC are TSS and HMU. TSS and HMU are equal voting partners and share in the net income of TPC on the basis of 35.7% and 64.3%, respectively. TSS and HMU account for their investment in TPC using the equity method.

CCU was formed in 1998 as a holding company for the HUSA's interest in GalvPro, LP, which is now bankrupt. CCU was dissolved during 2014.

AML was acquired in 1999. The acquisition was funded by a capital contribution of $5,900,000 by a predecessor to Tata and a loan of $3,000,000 from Hoogovens Aluminum Europe, Inc. ("HAE"). The loan was subsequently assumed by AML.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The financial statements of Hoogovens USA, Inc. and Subsidiaries (the "Companies") have been consolidated due to the common ownership discussed above. Intercompany balances and transactions were eliminated in consolidating the financial statements of the Companies.

For cash management reasons and to control receipts and disbursements, the Companies maintain, along with other related but legally separate entities, a cash pool at a financial institution. The cash account is administered by Tata Steel International (Americas) Holdings, Inc., a related party. None of the funds are restricted in any way, and the funds on deposit can be freely transferred for use in the general business of the Companies.

Trade Accounts Receivable

The Companies grant credit in the ordinary course of business to their customers. The Companies perform ongoing credit evaluations of their customers' financial condition and, generally, requires no collateral.

The Companies provide for uncollectible trade accounts receivable by the allowance method. Uncollectible accounts are charged to the allowance in the year that they are determined to be uncollectible. Recoveries are credited to the allowance. The allowance for doubtful accounts is determined based on management's estimate of uncollectible accounts whereby management considers the Companies' historical credit losses, existing economic conditions and the financial stability of its customers. As of March 31, 2015 and 2014, management believes all accounts are collectible.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories
Inventories of finished and in-process products and raw materials of the Companies are valued at cost, which is not in excess of market, determined by the FIFO (first-in, first-out) method. The remaining inventories are priced at either specific cost or average manufacturing cost which is not in excess of market.

Property, Plant and Equipment
Property, plant and equipment are carried at cost. Maintenance and repairs are expensed as incurred. Expenditures which significantly extend the useful life of the fixed assets are capitalized. Depreciation is provided on the straight-line basis over the estimated useful lives of the assets as follows:

Land improvements	10 to 30 years
Buildings	25 to 50 years
Machinery and equipment	2 to 30 years

Gas wells are depleted on the basis of units produced.

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Revenue Recognition and Shipping and Handling Costs
Revenues from sales are recorded as products are shipped, except for consignment programs where revenues are recorded as products are taken into production by the customer. Expenditures related to shipping and handling costs are expensed as incurred and included in cost of goods sold.

Income Taxes
The Companies file a consolidated federal income tax return. The Companies account for income taxes using an asset and liability approach. Deferred taxes are recorded for the difference between the book and tax bases of various assets and liabilities.

Nature of Hedged Risks, Strategies, and Fair Value of Hedging Instruments
TSS periodically uses commodity futures contracts to hedge the impact of price fluctuations on anode inventories used in manufacturing. Additionally, TSS enters into corresponding forward contracts with select customers that ensures a matching of the associated risk assumed under the commodity futures contract. These contracts are accounted for as effective hedges.

Unrealized gains and losses on these contracts are included in other accrued liabilities or miscellaneous receivables with a related charge or credit to accumulated other comprehensive income. Upon settlement of the futures contracts, the related gain or loss is included in cost of goods sold to coincide with the classification of those costs of the anode inventories as they are consumed in the manufacturing process. Upon settlement of the corresponding forward contracts, the related gain or loss is included in sales to coincide with the related surcharge or discount associated with the fixed pricing for nickel.

Commodity future contracts and corresponding forward contracts entered into through March 31, 2015 and 2014, with fair market values of $478,595 and $87,305 were outstanding as of March 31, 2015 and 2014, respectively.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclassifications
Certain amounts in the prior year financial statements have been reclassified to enhance comparability with the current period information. Such reclassifications had no impact on the Companies' financial position, results of operations, comprehensive income, or cash flows.

NOTE C – NOTES PAYABLE TO AFFILIATED COMPANY

AML has borrowings from a certain related entity. The borrowings from the related entity are unsecured. At March 31, 2015 and 2014, the borrowings amounted to $7,000,000. The interest rate on the outstanding borrowings at March 31, 2015 and 2014 was 2.24%. The outstanding borrowings matured at April 23, 2015 and were extended to July 23, 2015 with an interest rate of 2.19% per annum.

AML's borrowings are expected to be extended upon reaching their stated maturities. In addition, the lender has represented that it will not call the above loans within a one year period from March 31, 2015 and, accordingly, the loans have been classified as long-term in the accompanying consolidated balance sheet. There are no established repayment terms for the debt.

Total interest expense on the related entity borrowings was $163,061 and $180,743 for the years ended March 31, 2015 and 2014, respectively.

NOTE D – INCOME TAXES

Components of the Companies' deferred tax assets and liabilities at March 31, 2015 and 2014 are as follows:

	March 31,	
	2015	2014
Taxable temporary differences:		
Depreciation	**$ 109,912**	$ 1,157,069
Partnership tax differences	**44,543**	55,448
Other	**82,105**	88,877
GROSS DEFERRED TAX LIABILITIES	**236,560**	1,301,394
Deductible temporary differences:		
Net operating loss and tax credit carryforwards	**15,097,701**	16,023,054
Pension and postretirement obligations	**22,332,631**	17,973,929
Accrued liabilities	**837,954**	1,113,198
Other	**127,906**	66,350
GROSS DEFERRED TAX ASSETS	**38,396,192**	35,176,531
NET DEFERRED TAX ASSETS	**38,159,632**	33,875,137
NET DEFERRED TAX ASSET VALUATION ALLOWANCE	**2,556,384**	2,691,384
	$ 35,603,248	$ 31,183,753

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes computed on a stand alone basis.

NOTE D – INCOME TAXES (continued)

In evaluating the reasonableness of the valuation allowance, management assesses whether it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. Ultimately, the realization of deferred tax assets is dependent upon generation of future taxable income during those periods in which temporary differences become deductible and/or credits can be utilized. To this end, management considers the level of historical taxable income, the scheduled reversal of deferred tax liabilities, tax-planning strategies and projected future taxable income. Based on these considerations, and the indefinite carry-forward availability of certain deferred tax credits (principally related to alternative minimum tax), management believes it is more likely than not that the Companies will realize $35,603,248 of the deferred tax asset, thereby reducing the allowance by $135,000 for the year ended March 31, 2015. The reduction in the allowance results in a total valuation allowance of $2,566,384 as of March 31, 2015.

The net deferred tax assets include amounts related to the pension liability adjustment, which is accounted for as a separate component of stockholder's equity. The differences between the provision for income taxes at the U.S. statutory rate (34%) and the tax shown in the statement of operations are due to the effect of state taxes and nondeductible expenses and the valuation allowance.

For income tax reporting purposes at March 31, 2015, the Companies had the following net operating loss carryforwards available to offset taxable income and reduce future tax liabilities.

Year of expiration	Federal net operating loss
2029	$ 5,815,609
2030	4,604,940
	$ 10,420,549

NOTE E – PENSIONS AND POSTRETIREMENT PLANS

TSS sponsors pension (hourly) and retirement income (salary) defined benefit pension plans. The retirement income plan was frozen by TSS as of December 31, 2007. Pension benefits are based on years of service, career average compensation and compensation during certain years immediately preceding retirement. TSS's employees may become eligible for those benefits if they reach the normal retirement while working for TSS.

TSS's postretirement health care and life insurance plan is not funded. A plan change effective January 1, 2015 resulted in the elimination of all medical and life benefits to current and future salaried retirees. This caused a curtailment with a September 30, 2014 measurement date at a 4.25% discount rate.

AML sponsors defined benefit pension plans for hourly and salary employees. Pension benefits are based on years of service and average career compensation. AML's employees may become eligible for reduced benefits upon attaining age 55 and completing 15 years of service with AML. Normal retirement benefits are attained upon reaching age 65 and completing five years of service.

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

The following information pertains to these plans for the years ended March 31:

	Pensions		Postretirement Benefits	
	2015	2014	**2015**	2014
Change in accumulated benefit obligation:				
Beginning of year	**$ 135,007,766**	$ 141,696,332	**$ 10,614,557**	$ 11,569,788
Service cost	**1,255,502**	1,266,985	**144,568**	163,041
Interest cost	**5,685,912**	5,853,832	**383,894**	485,347
Amendments	**-**	-	**(1,811,605)**	-
Benefits paid	**18,884,609**	(7,852,664)	**(1,387,182)**	(1,137,604)
Actuarial loss (gain)	**(8,213,631)**	(5,956,719)	**262,970**	(466,015)
ACCUMULATED BENEFIT OBLIGATION AT END OF YEAR	**$ 152,620,158**	$ 135,007,766	**$ 8,207,202**	$ 10,614,557
Change in plan assets:				
Fair value of plan assets at beginning of year	**$ 90,881,754**	$ 84,605,500	**$ -**	$ -
Actual return on plan assets	**5,659,147**	8,785,490	**-**	-
Employer contribution	**6,173,248**	5,343,428	**1,387,182**	1,137,604
Benefits	**(8,213,631)**	(7,852,664)	**(1,387,182)**	(1,137,604)
FAIR VALUE OF PLAN ASSETS AT END OF YEAR	**$ 94,500,518**	$ 90,881,754	**$ -**	$ -
Funded status	**$ (58,119,639)**	$ (44,126,011)	**$ (8,207,202)**	$ (10,614,557)
Unrecognized actuarial loss	**69,513,632**	54,386,748	**7,984,844**	9,377,479
Unrecognized prior service cost (credit)	**2,333**	4,041	**(1,519,656)**	(5,512,140)
NET AMOUNT RECOGNIZED	**$ 11,396,326**	$ 10,264,778	**$ (1,742,014)**	$ (6,789,218)

	Apollo Metals, Ltd. Pensions		Thomas Steel Strip Corporation Pensions		Thomas Steel Strip Corporation Postretirement	
	2015	2014	**2015**	2014	**2015**	2014
Weighted-average assumptions used to determine:						
Net periodic benefit cost						
Discount rate	**4.40%**	4.70%	**3.85%**	4.70%	**3.85%**	4.40%
Expected return on plan assets	**7.00%**	7.75%	**7.00%**	7.75%	**-**	-
Rate of compensation increase (n/a for TSS retirement income plan)	**-**	-	**2.00%**	2.00%	**-**	-
Benefit obligations						
Discount rate	**3.85%**	4.40%	**3.85%**	4.40%	**3.85%**	4.40%

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

As of March 31, the following amounts were recognized in the balance sheet and in accumulated other comprehensive (loss):

	Pensions		Postretirement Benefits	
	2015	2014	**2015**	2014
Amounts recognized in the Balance Sheet:				
Current liabilities	**$ (5,749,814)**	$ (8,628,722)	**$ (804,404)**	$ (1,040,314)
Other liabilities	**(52,369,825)**	(35,497,289)	**(7,402,798)**	(9,574,243)
Total	**$ (58,119,639)**	$ (44,126,011)	**$ (8,207,202)**	$ (10,614,557)
Amounts recognized in Accumulated Other Comprehensive (Loss):				
Prior service (cost) credit	**$ (2,333)**	$ (4,041)	**$ 1,519,656**	$ 5,512,140
Net actuarial (loss)	**(69,513,632)**	(54,386,748)	**(7,984,844)**	(9,377,479)
Total	**$ (69,515,965)**	$ (54,390,789)	**$ (6,465,188)**	$ (3,865,339)

The following amounts were recognized in accumulated other comprehensive loss, net of tax, for the years ended March 31:

	Pensions		Postretirement Benefits	
	2015	2014	**2015**	2014
Net actuarial gain (loss)	**$ (15,126,884)**	$ 13,034,119	**$ 1,392,635**	$ (1,401,008)
Prior service (cost) credit	**1,708**	71,161	**(3,992,484)**	3,064,922
Net Amount Recognized in Other Comprehensive Income (Loss)	**$ (15,125,176)**	$ 13,105,280	**$ (2,599,849)**	$ (1,663,914)

The assumed health care trend rates at March 31 for the postretirement plans were:

	2015	2014
Health care trend rate assumed for next year	**6.00%**	6.50%
Rate that the cost trend rate gradually declines to	**5.00%**	5.00%
Year that the rate reaches the rate it is assumed to remain at	**2018**	2018

The expected long-term return on plan assets assumption is based on a periodic review and modeling of the plans' asset allocation and liability structure over a long-term period. Expectations of returns for each asset class are the most important of the assumptions used in the review and modeling and are based on comprehensive reviews of historical data and economic/financial market theory. The expected long-term rate of return on assets was selected from within the reasonable range of rates determined by historical real returns, net of inflation, for the asset classes covered by the investment policy and projections of inflation over the long-term period during which benefits are payable to plan participants.

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

No future increases in pensionable earnings are assumed for participants of TSS's salary pension plan. The annual rate of increase in future compensation is assumed to be 2% for participants in TSS's hourly pension plan.

	Pensions		Postretirement Benefits	
	2015	2014	**2015**	2014
Components of net periodic benefit cost:				
Service cost	**$ 1,255,503**	$ 1,266,985	**$ 144,568**	$ 163,041
Interest cost	**5,685,912**	5,853,832	**383,894**	485,347
Expected return on plan assets	**(6,817,523)**	(6,527,731)	**-**	-
Recognized prior service cost	**1,708**	71,161	**-**	-
Amortization of unrecognized net loss	**-**	-	**1,655,605**	934,995
Amortization of prior period cost	**-**	-	**(4,392,941)**	(3,064,924)
Recognized actuarial loss	**4,916,099**	4,819,641	**-**	-
Recognized due to curtailment	**-**	-	**(1,411,148)**	-
NET PERIODIC BENEFIT COST (INCOME)	**$ 5,041,699**	$ 5,483,888	**$ (3,620,022)**	$ (1,481,541)

The weighted average asset allocation by asset category for pension plans were as follows:

	Thomas Steel Strip Corporation			
	Pension Plan		Retirement Income Plan	
	2015	2014	**2015**	2014
Equity securities	**54.00%**	47.00%	**55.00%**	47.00%
Debt securities	**23.00%**	28.00%	**23.00%**	28.00%
Real estate	**6.00%**	10.00%	**6.00%**	10.00%
Other	**17.00%**	15.00%	**16.00%**	15.00%
Total	**100.00%**	100.00%	**100.00%**	100.00%

	Apollo Metals, Ltd.			
	Salaried Employees' Pension Plan		Hourly Employees' Pension Plan	
	2015	2014	**2015**	2014
Equity securities	**59.00%**	49.00%	**59.00%**	49.00%
Debt securities	**41.00%**	45.00%	**41.00%**	45.00%
Other	**0.00%**	6.00%	**0.00%**	6.00%
Total	**100.00%**	100.00%	**100.00%**	100.00%

The following estimated future benefit payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

Year ending March 31:	Amount
2015	$ 8,371,991
2016	8,626,958
2017	8,825,335
2018	8,904,000
2019	8,958,721
2020-2024	45,421,371

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

Financial accounting standards establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 fair values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 fair values are based on inputs other than quoted prices within Level 1 that are observable for the asset, either directly or indirectly.

Level 3 fair values are based on at least one significant unobservable input for the asset.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2015 and 2014.

Common stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Money market accounts: Valued at the net asset value (NAV) of shares held by the Plan at year end.

Common/collective funds: Units held in collective investment funds are valued using the NAV of the fund. The NAV is based on the fair value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding. The NAV of a collective investment fund is calculated based on a compilation of primarily observable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund. Accordingly, the unit value for a collective investment fund is classified within level 2 of the valuation hierarchy.

The estimated fair value of the collective fund is net asset value. The use of net asset value as fair value is deemed appropriate as the collective funds do not have finite lives, unfunded commitments relating to these types of investments, or significant restrictions on redemptions.

Investment contract: The guaranteed interest accounts are reported at fair value as determined by Principal Life. The accounts' fair value is the amount that would be received currently if funds were withdrawn from the Plan prior to their maturity for an event other than death, disability, termination, or retirement. This fair value presents guaranteed interest account valued adjusted to reflect current market interest rates only to the extent such market rates exceed contract crediting rates. This value represents contributions allocated to the guaranteed interest accounts, plus interest at the contractually guaranteed rate, less funds used to pay plan benefits and the insurance company's administrative fees.

Investment contracts issued by Principal are backed by a general account. Due to the nature of these contracts, they do not have specific underlying assets assigned. The guaranteed interest accounts cannot be sold to a third party, thus, the only option to exit the guaranteed interest accounts is to withdraw the funds prior to maturity. The fair value of the account is the value paid when funds are withdrawn prior to their maturity. If the applicable interest rate is greater than the interest rate on the account, the fair value is the contract value reduced by a percentage. This percentage is equal to the difference between the applicable interest rate and the interest rate on the account, multiplied by the number of years (including fractional parts of a year) until the maturity date.

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2015 and 2014.

Assets Measured at Fair Value at March 31, 2015 on a Recurring Basis

Description	Level 1	Level 2	Level 3
Common/collective funds:			
Fixed income	$ -	$ 21,610,698	$ -
Domestic equities	-	17,094,437	-
International equities	-	25,148,189	-
Other	-	23,693,018	-
Total common/collective funds	-	87,546,342	-
Investment contract	-	-	4,959,707
Money market funds	-	1,973,117	
Common stocks:			
Services	2	-	-
Technology	21,350	-	-
Total common stocks	21,352	-	-
Total assets at fair value	$ 21,352	$ 89,519,459	$ 4,959,707

Assets Measured at Fair Value at March 31, 2014 on a Recurring Basis

Description	Level 1	Level 2	Level 3
Common/collective funds:			
Fixed income	$ -	$ 26,577,221	$ -
Domestic equities	-	21,179,376	-
International equities	-	21,805,004	-
Other	-	11,083,102	-
Total common/collective funds	-	80,644,703	-
Limited partnership – growth fund	-	118,404	-
Investment contract	-	-	8,796,815
Money market funds	-	1,299,100	-
Common stocks:			
Services	2	-	-
Technology	22,730	-	-
Total common stocks	22,732	-	-
Total assets at fair value	$ 22,732	$ 82,062,207	$ 8,796,815

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

The following tables set forth a summary of changes in the fair value of the Plan's level 3 assets:

	Investment Contract
Balance, April 1, 2014	$ 8,796,815
Realized gains	1,951,725
Unrealized gains relating to instruments still held at the reporting date	(1,188,833)
Purchases	-
Sales	(4,600,000)
Transfers in and/or out of level 3	-
Balance, March 31, 2015	$ 4,959,707

	Investment Contract
Balance, April 1, 2013	$ 9,692,934
Realized gains	830,674
Unrealized gains relating to instruments still held at the reporting date	398,207
Purchases	-
Sales	(2,125,000)
Transfers in and/or out of level 3	-
Balance, March 31, 2014	$ 8,796,815

TSS expects to contribute $5,420,914 to the pension plans for the year ended March 31, 2016. AML expects to contribute $328,900 for the year ended March 31, 2016.

TSS and AML also have 401(k) defined contribution plans. Both hourly and salaried employees are eligible to participate. Total expense for these plans was $433,359 and $423,750 for the years ended March 31, 2015 and 2014, respectively.

Multiemployer Pension Plans

TSS and AML contribute to a multiemployer defined benefit pension plan under the terms of collective-bargaining agreements that cover certain unionized employee groups in the United States. Total pension expense charged to continuing operations for union-sponsored plans for the years ended March 31, 2015 and 2014 was $142,941 and $103,657, respectively.

The risks of participating in multiemployer pension plans are different from single-employer plans. Assets contributed to a multiemployer plan by one employer may be used to provide benefits to employees of other participating employers. If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

NOTE E – PENSIONS AND POSTRETIREMENT PLANS (continued)

TSS's and AML's participation in multiemployer pension plans for the year ended March 31, 2015, is outlined in the table below. The "EIN/PN" column provides the Employee Identification Number (EIN) and the three-digit plan number (PN). The most recent Pension Protection Act (PPA) zone status available for the years ended March 31, 2015 and 2014 is for the plan year-ends as indicated below. The zone status is based on information that TSS and AML received from the plan and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are between 65 percent and 80 percent funded, and plans in the green zone are at least 80 percent funded. The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan (FIP) or a rehabilitation plan (RP) is either pending or has been implemented.

In addition to regular plan contributions, TSS and AML may be subject to a surcharge if the plan is in the red zone. The "Surcharge Imposed" column indicates whether a surcharge has been imposed on contributions to the plan. The last column lists the expiration dates of the collective-bargaining agreements (CBA) to which the plans are subject.

		PPA Zone Status for year ended March 31,			Contributions by TSS and AML for year ended March 31,				
Pension Trust Fund	EIN/PN	2015	2014	FIP/RP Status Pending/ Implemented	2015	2014	2013	Surcharge Imposed	Expiration Date of CBA
Steelworkers Pension Trust	23-6648508 / 499	Green - 12/31/2014	Green - 12/31/2013	No	$142,941	$103,657	$80,691	No	3/30/2017 (TSS) 5/5/2018 (AML)

Neither TSS nor AML provided more than 5 percent of total contributions to the plan for the plan years ended December 31, 2014 and 2013.

In addition to regular contributions, TSS and AML could be obligated to pay additional amounts, known as a withdrawal liability, if a multiemployer pension plan has unfunded vested benefits and TSS and AML decreases or ceases participation in that plan. TSS and AML have not recognized a withdrawal liability or withdrawal liability expense related to curtailment and special termination benefits associated with withdrawal from the multiemployer plan.

NOTE F – RELATED PARTY TRANSACTIONS

The Companies, through their owners, are affiliated with various entities of HUSA and the Tata Group. Total steel sales to various affiliated companies were $3,998,796 and $39,942 for the years ended March 31, 2015 and 2014, respectively. Total steel purchases from various affiliated companies were $36,108,195 and $38,177,178 for the years ended March 31, 2015 and 2014, respectively. Receivables from these companies totaled $681,571 and $594,053 at March 31, 2015 and 2014, respectively. Accounts payable to these companies totaled $1,173,862 and $2,807,375 at March 31, 2015 and 2014, respectively. Management fees charged to TSS and AML from Tata Steel Plating and Tata Steel UK Limited totaled $1,734,631 and $1,530,110 for the years ended March 31, 2015 and 2014, respectively.

NOTE G – COMMITMENTS AND CONTINGENCIES

TSS is involved in several pending legal proceedings related to workers' compensation claims. While the ultimate outcome of these lawsuits is not presently determinable, it is the opinion of management that the ultimate resolution will not have a material adverse effect on the Companies' consolidated financial position or results of operations.

In accordance with the interim status standards under the Resource Conservation and Recovery Act (RCRA), in 1998 the United States Environmental Protection Agency (USEPA) and the Ohio Environmental Protection Agency (OEPA) approved TSS's closure plan for one USEPA Hazardous Waste No, F006 surface impoundment and three lime stabilized waste pickle liquor (LSWPL) lagoons located onsite. However, these units were never closed in accordance with the approved closure plan.

In 2003, TSS submitted a modified closure plan for OEPA's review and approval. Based upon decisions and agreements reached between OEPA and TSS, TSS prepared and submitted amended closure/post-closure plans for the F006 impoundment and LSWPL lagoons to OEPA in January, 2005. In the plans, TSS committed to complete closure activities and to commence post-closure care activities within 180 days of approval of the plans by OEPA. The closure portions of these plans were implemented during the summer of 2005. TSS forwarded final closure certification reports to the OEPA in October, 2005.

In December, 2005 OEPA approved the reports and granted final certification of closure of the F006 impoundment and the LSWPL lagoons. In March 2008, TSS obtained approval to reduce its groundwater monitoring frequency from semi-annually to annually during the continued implementation of its RCRA post-closure plans. On March 6, 2008, TSS submitted modified post-closure plans to reflect OEPA's approval of the reduced monitoring frequency. By letter dated May 22, 2008, OEPA approved TSS' modified plans. TSS is currently fulfilling its post-closure care obligations for the F006 impoundment and the LSWPL lagoons.

By letter dated August 30, 2006 from OEPA, TSS was notified of its responsibilities under the regulations at Ohio Administrative Code Section 3745-54-101 for investigating and addressing, as necessary, any hazardous waste or hazardous constituent release at or from TSS, regardless of when such releases occurred. An OEPA site inspection was conducted on January 24, 2007. By letter dated February 6, 2007, OEPA requested TSS to create a Statement of Current Conditions by identifying and evaluating solid waste management units (SWMU) and areas of concern (AOC) at the facility. TSS submitted the Statement of Current Conditions to OEPA on April 11, 2007 which identified twenty-four SWMU's as well as two additional AOC's. OEPA concurred with TSS's assessment by letter dated May 7, 2007. TSS has since submitted and implemented an OEPA approved RCRA Facility Investigation (RFI) Work Plan which began in November, 2007. The RFI report recommended no further action for all SWMU's and AOC's pending ultimate decommissioning of the facility operations at some future time, provided one of the investigated SWMU (the on-site, capped nonhazardous waste landfill) is included in a deed notice restricting disturbance of the landfill's clay cap. The OEPA concurred with the RFI Report recommendations by letter dated April 8, 2008.

By letter dated June 5, 2008 from OEPA, TSS was notified of OEPA's intent to issue a Statement of Basis for Remedial Decisions. By letter dated September 23, 2008 from OEPA, TSS was notified of OEPA's issuance of a Final Declaration and Statement of Basis for Remedial Decision (the "Final Decision"). In accordance with the terms and conditions of the Final Decision, TSS submitted an Operations and Maintenance Plan for Waste Management Unit No.5 ("WMU 5") - the on-site, capped nonhazardous waste landfill - which is the only corrective action unit at TSS that has not attained "No Further Action" status. In response to OEPA comments, TSS submitted a Revised Operations and Maintenance Plan for WMU 5 on December 11, 2008. By letter dated February 18, 2009 from OEPA, TSS was notified of OEPA's approval of the Revised Operations and Maintenance Plan for WMU 5. TSS is in the process of negotiating Environmental Covenant language for WMU 5 with OEPA.

NOTE G – COMMITMENTS AND CONTINGENCIES (continued)

TSS also expects to receive a draft Consensual Findings and Orders ("CF&O") document from OEPA for comment. Once finalized, the CF&O will require TSS' compliance with the Revised Operations and Maintenance Plan for WMU 5. Management is unable to estimate the cost of the RFI Work Plan as of March 31, 2015.

NOTE H – PROFIT SHARING PROGRAM

Pursuant to its collective bargaining agreement with the United Steel Workers of America, TSS is required to pay a profit sharing bonus equal to a specified percentage of its pretax profit before profit sharing expense to eligible hourly employees. A new collective bargaining agreement was entered into in December of 2008. Under this agreement, profit sharing expense was $573,410 for the year ended March 31, 2015. There was no profit sharing expense for the year ended March 31, 2014.

Pursuant to its collective bargaining agreement with the United Steel Workers of America, AML is required to pay a profit sharing bonus equal to a specified percentage of its pretax profit before profit sharing expense to eligible hourly employees. A new collective bargaining agreement was entered into in May of 2009. Under this agreement, profit sharing expense was $146,818 and $68,739 for the years ended March 31, 2015 and 2014, respectively.

NOTE I – CONCENTRATION OF RISK

The Companies maintain their cash in a financial institution which, at times, may exceed federally insured limits. The Companies have not experienced any losses from such accounts, and management believes the Companies are not exposed to significant credit risk related to bank deposit accounts.

Major Customers
TSS has a concentration of sales and receivables in the battery industry. Three companies accounted for approximately 53% and 55% of TSS's sales for the years ended March 31, 2015 and 2014, respectively. Receivables from these customers were $2,456,216 and $2,524,815 at March 31, 2015 and 2014, respectively.

AML's four largest customers accounted for approximately 79% of AML's sales for the year ended March 31, 2015. AML's three largest customers accounted for approximately 67% of AML's sales for the year ended March 31, 2014. Receivables from these customers were $1,122,386 and $1,282,814 at March 31, 2015 and 2014, respectively.

Collective Bargaining Arrangements
As of March 31, 2015 and 2014, approximately 75% and 74%, respectively, of TSS's workforce was subject to collective bargaining agreements. None of these agreements expire within one year.

As of March 31, 2015 and 2014, approximately 74% of AML's workforce was subject to collective bargaining agreements. None of these agreements expire within one year.

NOTE J – OPERATING LEASES

TSS and AML lease certain equipment under agreements accounted for as operating leases. The following is a yearly statement of the future minimum payments under noncancellable leases at March 31, 2015:

Year ending March 31:	Amount
2016	$ 491,620
2017	176,155
2018	121,144
2019	91,935
2020	22,984
	$ 903,838

In most cases, management expects that in the normal course of business all leases will be renewed or replaced by other leases. Rental expense charged to operations totaled $820,609 and $761,486 for the years ended March 31, 2015 and 2014, respectively.

NOTE K – FAIR VALUE MEASUREMENTS

The Companies have characterized their financial instruments, based on the priority of the inputs used to value the financial instruments, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1], and the lowest priority to unobservable inputs [Level 3]. If the inputs used to measure the investments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the financial instruments.

Financial instruments recorded in the balance sheet are categorized based on the inputs to valuation techniques as follows:

Level 1: These are financial instruments where values are based on unadjusted quoted prices for identical sets in an active market that the Companies have the ability to access.

Level 2: These are financial instruments where values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the financial instruments.

Level 3: These are financial instruments where values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect assumptions of management about assumptions market participants would use in pricing the financial instruments.

Assets Measured at Fair Value at March 31, 2015 on a Recurring Basis

Description	Level 1	Level 2	Level 3
Assets			
Derivatives	$ -	$ 478,595	$ -
Liabilities			
Derivatives	$ -	$ 478,595	$ -

NOTE K – FAIR VALUE MEASUREMENTS (continued)

Assets Measured at Fair Value at March 31, 2014 on a Recurring Basis

Description	Level 1	Level 2	Level 3
Assets			
Derivatives	$ -	$ 87,305	$ -
Liabilities			
Derivatives	$ -	$ 87,305	$ -

Commodity derivatives are valued using a market approach based on the London Metal Exchange.

NOTE L – COMPONENTS OF ACCUMULATED OTHER COMPREHENSIVE LOSS

Balances of related components comprising accumulated comprehensive loss, net of tax, included in stockholder's equity, is as follows:

	Unrealized (Gain)/Loss on Commodity Futures Contracts	Pension and Postretirement Liability Adjustment	Accumulated Other Comprehensive Loss
Balance at March 31, 2013	$ -	$ 47,332,823	$ 47,332,823
Unrealized gain on commodity futures contracts	(57,621)	-	(57,621)
Unrealized loss on commodity futures contracts	57,621	-	57,621
Liability adjustment	-	(7,551,302)	(7,551,302)
Balance at March 31, 2014	-	39,781,521	39,781,521
Unrealized gain on commodity futures contracts	(536,217)	-	(536,217)
Unrealized loss on commodity futures contracts	536,217	-	536,217
Liability adjustment	-	11,698,516	11,698,516
Balance at March 31, 2015	$ -	$ 51,480,037	$ 51,480,037

NOTE N – SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through June 17, 2015, which is the date the financial statements were available to be issued. With the exception of those matters discussed in Note C, there were no material subsequent events that required recognition or disclosure in these financial statements.

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATING BALANCE SHEETS

March 31, 2015

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	RECLASSIFICATIONS AND ELIMINATIONS	CONSOLIDATED
CURRENT ASSETS								
Cash	$ 2,161,658	$ 1,068,289	$ 61,947	$ 5,184,363	$ -	$ 3,871,763	$ -	$ 12,348,020
Accounts receivable								
Trade	-	6,772,096	65,302	745,840	-	1,170,882	-	8,754,120
Affiliated companies	1,449,831	32,652,919	56,333,200	-	-	777,546	(90,531,925)	681,571
Miscellaneous	-	479,626	-	-	-	675	-	480,301
Total accounts receivable	1,449,831	39,904,641	56,398,502	745,840	-	1,949,103	(90,531,925)	9,915,992
Inventories:								
Work in process and finished goods	-	9,984,636	8,296	689,520	-	1,269,818	-	11,952,270
Raw materials and supplies	-	5,386,861	27,450	-	-	846,514	-	6,260,825
Total inventories	-	15,371,497	35,746	689,520	-	2,116,332	-	18,213,095
Note receivable from affiliated company	6,600,000	-	-	-	-	-	-	6,600,000
Prepaid expenses and other current assets	21,692	330,858	-	-	-	247,185	-	599,735
Federal income tax refundable	232,000	-	-	-	-	-	-	232,000
Deferred federal income taxes	-	1,663,343	-	-	-	111,826	-	1,775,169
TOTAL CURRENT ASSETS	**10,465,181**	**58,338,628**	**56,496,195**	**6,619,723**	**-**	**8,296,209**	**(90,531,925)**	**49,684,011**
INVESTMENTS IN SUBSIDIARIES	**50,801,756**	**5,907,158**	**-**	**15,775,968**	**-**	**-**	**(72,484,882)**	**-**
PROPERTY, PLANT AND EQUIPMENT								
Land	-	2,722,228	2,004,441	-	-	425,000	-	5,151,669
Buildings	-	31,109,987	4,699,042	-	-	2,750,575	-	38,559,604
Machinery and equipment	-	187,782,167	14,725,819	-	-	10,161,124	-	212,669,110
Computer software	-	8,266,568	-	-	-	-	-	8,266,568
Gas well	-	290,613	-	-	-	-	-	290,613
Construction in progress	-	425,414	36,547	-	-	-	-	461,961
	-	230,596,977	21,465,849	-	-	13,336,699	-	265,399,525
Less accumulated depreciation	-	216,502,140	19,432,481	-	-	10,034,772	-	245,969,393
NET PROPERTY, PLANT AND EQUIPMENT	**-**	**14,094,837**	**2,033,368**	**-**	**-**	**3,301,927**	**-**	**19,430,132**
OTHER ASSETS								
Deferred federal income taxes	-	32,617,222	-	-	-	1,247,246	(36,389)	33,828,079
Other	-	110,666	-	-	-	-	-	110,666
TOTAL OTHER ASSETS	**-**	**32,727,888**	**-**	**-**	**-**	**1,247,246**	**(36,389)**	**33,938,745**
TOTAL ASSETS	**$ 61,266,937**	**$ 111,068,511**	**$ 58,529,563**	**$ 22,395,691**	**$ -**	**$ 12,845,382**	**$ (163,053,196)**	**$ 103,052,888**

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATING BALANCE SHEETS

March 31, 2015

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	RECLASSIFICATIONS AND ELIMINATIONS	CONSOLIDATED
CURRENT LIABILITIES								
Accounts payable								
Trade	$ -	$ 1,990,021	$ 325,051	$ 48,215	$ -	$ 309,442	$ -	$ 2,672,729
Affiliated companies	793,976	51,270,125	36,487,739	2,189,859	-	964,088	(90,531,925)	1,173,862
Total accounts payable	793,976	53,260,146	36,812,790	2,238,074	-	1,273,530	(90,531,925)	3,846,591
Accrued vacation	-	902,703	-	-	-	-	-	902,703
Other accrued liabilities and expense	-	3,849,031	33,647	5,850	-	640,866	-	4,529,394
Current portion of accrued pension and postretirement benefits	-	6,225,318	-	-	-	328,900	-	6,554,218
TOTAL CURRENT LIABILITIES	**793,976**	**64,237,198**	**36,846,437**	**2,243,924**	**-**	**2,243,296**	**(90,531,925)**	**15,832,906**
OTHER LIABILITIES								
Notes payable to affiliated company	-	-	-	-	-	7,000,000	-	7,000,000
Accrued workers' compensation	-	566,033	-	-	-	-	-	566,033
Accrued pension liability	-	49,365,921	-	-	-	3,003,904	-	52,369,825
Accrued postretirement benefits	-	7,402,798	-	-	-	-	-	7,402,798
Deferred federal income taxes	-	-	-	36,389	-	-	(36,389)	-
TOTAL OTHER LIABILITIES	**-**	**57,334,752**	**-**	**36,389**	**-**	**10,003,904**	**(36,389)**	**67,338,656**
TOTAL LIABILITIES	**793,976**	**121,571,950**	**36,846,437**	**2,280,313**	**-**	**12,247,200**	**(90,568,314)**	**83,171,562**
STOCKHOLDER'S EQUITY (DEFICIT)	**60,472,961**	**(10,503,439)**	**21,683,126**	**20,115,378**	**-**	**598,182**	**(72,484,882)**	**19,881,326**
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY (DEFICIT)	**$ 61,266,937**	**$ 111,068,511**	**$ 58,529,563**	**$ 22,395,691**	**$ -**	**$ 12,845,382**	**$ (163,053,196)**	**$ 103,052,888**

Hoogovens USA, Inc. and subsidiaries

CONSOLIDATING BALANCE SHEETS

March 31, 2014

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	RECLASSIFICATIONS AND ELIMINATIONS	CONSOLIDATED
CURRENT ASSETS								
Cash and cash equivalents	$ 2,105,431	$ 2,300,900	$ 476,877	$ 4,524,346	$ -	$ 1,786,103	$ -	$ 11,193,657
Accounts receivable								
Trade	-	8,108,418	104,005	706,775	-	1,726,177	-	10,645,375
Affiliated companies	1,449,831	30,838,777	53,519,202	-	461,914	535,119	(86,210,790)	594,053
Miscellaneous	-	88,446	-	-	-	2,313	-	90,759
Total accounts receivable	1,449,831	39,035,641	53,623,207	706,775	461,914	2,263,609	(86,210,790)	11,330,187
Inventories:								
Work in process and finished goods	-	7,833,673	12,676	757,317	-	966,133	-	9,569,799
Raw materials and supplies	-	5,241,439	12,456	-	-	884,628	-	6,138,523
Total inventories	-	13,075,112	25,132	757,317	-	1,850,761	-	15,708,322
Note receivable from affiliated company	6,600,000	-	-	-	-	-	-	6,600,000
Prepaid expenses and other current assets	21,373	297,672	-	-	-	247,417	-	566,462
Federal income tax refundable	280,000	-	-	-	-	-	-	280,000
Deferred federal income taxes	-	2,216,300	-	-	-	115,124	-	2,331,424
TOTAL CURRENT ASSETS	**10,456,635**	**56,925,625**	**54,125,216**	**5,988,438**	**461,914**	**6,263,014**	**(86,210,790)**	**48,010,052**
INVESTMENTS IN SUBSIDIARIES	**39,392,686**	**5,951,057**	**-**	**15,855,034**	**-**	**-**	**(61,198,777)**	**-**
PROPERTY, PLANT, AND EQUIPMENT								
Land	-	2,722,228	2,004,441	-	-	425,000	-	5,151,669
Buildings	-	30,940,201	4,699,042	-	-	2,750,575	-	38,389,818
Machinery and equipment	-	188,529,472	14,725,819	-	-	10,138,646	-	213,393,937
Computer software	-	8,266,568	-	-	-	-	-	8,266,568
Gas well	-	290,613	-	-	-	-	-	290,613
Construction in progress	-	310,278	-	-	-	-	-	310,278
	-	231,059,360	21,429,302	-	-	13,314,221	-	265,802,883
Less accumulated depreciation	-	212,551,509	19,286,384	-	-	9,523,075	-	241,360,968
NET PROPERTY PLANT AND EQUIPMENT	**-**	**18,507,851**	**2,142,918**	**-**	**-**	**3,791,146**	**-**	**24,441,915**
OTHER ASSETS								
Deferred federal income taxes	-	28,124,946	-	-	-	817,592	(90,209)	28,852,329
Other	-	100,655	-	-	-	7,764	-	108,419
TOTAL OTHER ASSETS	**-**	**28,225,601**	**-**	**-**	**-**	**825,356**	**(90,209)**	**28,960,748**
TOTAL ASSETS	**$ 49,849,321**	**$ 109,610,134**	**$ 56,268,134**	**$ 21,843,472**	**$ 461,914**	**$ 10,879,516**	**$ (147,499,776)**	**$ 101,412,715**

Hoogovens USA, Inc. and subsidiaries

CONSOLIDATING BALANCE SHEETS

March 31, 2014

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	RECLASSIFICATIONS AND ELIMINATIONS	CONSOLIDATED
CURRENT LIABILITIES								
Bank overdrafts	$ -	$ -	$ -	$ -	$ 4,184	$ -	$ -	$ 4,184
Accounts payable								
Trade	-	2,724,286	199,223	59,930	-	519,145	-	3,502,584
Affiliated companies	1,255,890	50,397,852	34,226,845	1,950,657	-	1,186,921	(86,210,790)	2,807,375
Total accounts payable	1,255,890	53,122,138	34,426,068	2,010,587	-	1,706,066	(86,210,790)	6,309,959
Accrued vacation	-	981,648	-	-	-	-	-	981,648
Other accrued liabilities and expense	-	3,263,934	35,975	-	-	680,587	-	3,980,496
Current portion of accrued pension and postretirement benefits	-	9,330,436	-	-	-	338,600	-	9,669,036
TOTAL CURRENT LIABILITIES	**1,255,890**	**66,698,156**	**34,462,043**	**2,010,587**	**4,184**	**2,725,253**	**(86,210,790)**	**20,945,323**
OTHER LIABILITIES								
Notes payable to affiliated company	-	-	-	-	-	7,000,000	-	7,000,000
Accrued workers' compensation	-	887,815	-	-	-	-	-	887,815
Accrued pension liability	-	33,482,344	-	-	-	2,014,945	-	35,497,289
Accrued postretirement benefits	-	9,574,243	-	-	-	-	-	9,574,243
Deferred federal income taxes	-	-	-	**90,209**	-	-	**(90,209)**	-
TOTAL OTHER LIABILITIES	**-**	**43,944,402**	**-**	**90,209**	**-**	**9,014,945**	**(90,209)**	**52,959,347**
TOTAL LIABILITIES	**1,255,890**	**110,642,558**	**34,462,043**	**2,100,796**	**4,184**	**11,740,198**	**(86,300,999)**	**73,904,670**
STOCKHOLDER'S EQUITY (DEFICIT)	**48,593,431**	**(1,032,424)**	**21,806,091**	**19,742,676**	**457,730**	**(860,682)**	**(61,198,777)**	**27,508,045**
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY (DEFICIT)	**$ 49,849,321**	**$ 109,610,134**	**$ 56,268,134**	**$ 21,843,472**	**$ 461,914**	**$ 10,879,516**	**$ (147,499,776)**	**$ 101,412,715**

Hoogovens USA, Inc. and subsidiaries

CONSOLIDATING STATEMENTS OF OPERATIONS

Year ended March 31, 2015

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	ELIMINATIONS	CONSOLIDATED
NET SALES								
Nonaffiliated companies	$ -	$ 98,503,450	$ 1,018,425	$ 3,517,639	$ -	$ 17,378,906	$ -	$ 120,418,420
Affiliated companies	-	3,920,903	2,910,804	-	-	4,378,754	(7,211,665)	3,998,796
TOTAL NET SALES	**-**	**102,424,353**	**3,929,229**	**3,517,639**	**-**	**21,757,660**	**(7,211,665)**	**124,417,216**
COST OF GOODS SOLD	-	79,203,130	3,022,063	2,544,682	-	16,414,186	(7,211,665)	93,972,396
GROSS PROFIT	**-**	**23,221,223**	**907,166**	**972,957**	**-**	**5,343,474**	**-**	**30,444,820**
OTHER OPERATING EXPENSES								
Depreciation, depletion and amortization	-	5,516,568	146,096	-	-	560,946	-	6,223,610
Selling, general and administrative	52,222	13,716,235	884,035	572,509	7,325	2,422,742	-	17,655,068
TOTAL OTHER OPERATING EXPENSES	**52,222**	**19,232,803**	**1,030,131**	**572,509**	**7,325**	**2,983,688**	**-**	**23,878,678**
(LOSS) INCOME FROM OPERATIONS	**(52,222)**	**3,988,420**	**(122,965)**	**400,448**	**(7,325)**	**2,359,786**	**-**	**6,566,142**
OTHER INCOME AND (EXPENSES)								
Equity in loss of Thomas Processing Company	-	(43,899)	-	(79,066)	-	-	122,965	-
Equity in earnings of Thomas Steel Strip Corporation	1,549,088	-	-	-	-	-	(1,549,088)	-
Equity in earnings of Hille & Mueller USA, Inc.	372,702	-	-	-	-	-	(372,702)	-
Equity in loss of Corus Coatings USA, Inc.	(7,333)	-	-	-	-	-	7,333	-
Equity in earnings of Apollo Metals, Ltd.	2,137,277	-	-	-	-	-	(2,137,277)	-
Dividend income	461,914	-	-	-	-	-	(461,914)	-
Gain on liquidation of Corus Coatings USA, Inc.	7,345,819	-	-	-	-	-	(7,345,819)	-
Interest expense	-	(156)	-	-	(10)	(163,061)	-	(163,227)
Interest income	120,285	11	-	-	2	-	-	120,298
(Loss) on disposal of property, plant and equipment	-	(42,574)	-	-	-	12,000	-	(30,574)
Profit sharing bonus	-	(573,410)	-	-	-	(146,818)	-	(720,228)
TOTAL OTHER INCOME AND (EXPENSES)	11,979,752	(660,028)	-	(79,066)	(8)	(297,879)	(11,736,502)	(793,731)
(LOSS) INCOME BEFORE INCOME TAXES	**11,927,530**	**3,328,392**	**(122,965)**	**321,382**	**(7,333)**	**2,061,907**	**(11,736,502)**	**5,772,411**
INCOME TAXES (BENEFIT)								
Current	48,000	41,600	-	2,500	-	1,500	-	93,600
Deferred	-	1,737,704	-	(53,820)	-	(76,870)	-	1,607,014
TOTAL INCOME TAXES (BENEFIT)	48,000	1,779,304	-	(51,320)	-	(75,370)	-	1,700,614
NET INCOME (LOSS)	**$ 11,879,530**	**$ 1,549,088**	**$ (122,965)**	**$ 372,702**	**$ (7,333)**	**$ 2,137,277**	**$ (11,736,502)**	**$ 4,071,797**

Hoogovens USA, Inc. and Subsidiaries

CONSOLIDATING STATEMENTS OF OPERATIONS

Year ended March 31, 2014

	HOOGOVENS USA, INC.	THOMAS STEEL STRIP CORP.	THOMAS PROCESSING COMPANY	HILLE & MUELLER USA, INC.	CORUS COATINGS USA, INC.	APOLLO METALS, LTD.	ELIMINATIONS	CONSOLIDATED
NET SALES								
Nonaffiliated companies	$ -	$ 99,978,244	$ 984,298	$ 4,483,804	$ -	$ 16,943,244	$ -	$ 122,389,590
Affiliated companies	-	1,550,164	2,605,234	-	-	3,827,316	(7,942,772)	39,942
TOTAL NET SALES	**-**	**101,528,408**	**3,589,532**	**4,483,804**	**-**	**20,770,560**	**(7,942,772)**	**122,429,532**
COST OF GOODS SOLD	-	81,439,719	2,850,583	3,438,218	-	15,866,416	(7,942,772)	95,652,164
GROSS PROFIT	**-**	**20,088,689**	**738,949**	**1,045,586**	**-**	**4,904,144**	**-**	**26,777,368**
OTHER OPERATING EXPENSES								
Depreciation, depletion and amortization	-	5,869,656	166,152	-	-	657,647	-	6,693,455
Selling, general and administrative	65,229	14,510,979	540,141	520,735	28,314	2,359,640	-	18,025,038
TOTAL OTHER OPERATING EXPENSES	**65,229**	**20,380,635**	**706,293**	**520,735**	**28,314**	**3,017,287**	**-**	**24,718,493**
(LOSS) INCOME FROM OPERATIONS	**(65,229)**	**(291,946)**	**32,656**	**524,851**	**(28,314)**	**1,886,857**	**-**	**2,058,875**
OTHER INCOME AND (EXPENSES)								
Equity in earnings of Thomas Processing Company	-	11,658	-	20,998	-	-	(32,656)	-
Equity in earnings of Thomas Steel Strip Corporation	(186,599)	-	-	-	-	-	186,599	-
Equity in earnings of Hille & Mueller USA, Inc.	554,347	-	-	-	-	-	(554,347)	-
Equity in loss of Corus Coatings USA, Inc.	(28,314)	-	-	-	-	-	28,314	-
Equity in earnings of Apollo Metals, Ltd.	1,012,638	-	-	-	-	-	(1,012,638)	-
Interest expense	-	(1,781)	-	-	-	(180,743)	-	(182,524)
Interest income	94,237	10	-	-	-	-	-	94,247
Profit sharing bonus	-	849	-	-	-	(68,739)	-	(67,890)
TOTAL OTHER INCOME AND (EXPENSES)	1,446,309	10,736	-	20,998	-	(249,482)	(1,384,728)	(156,167)
INCOME (LOSS) BEFORE INCOME TAXES	**1,381,080**	**(281,210)**	**32,656**	**545,849**	**(28,314)**	**1,637,375**	**(1,384,728)**	**1,902,708**
INCOME TAXES (BENEFIT)								
Current	(5,000)	1,000	-	-	-	1,000	-	(3,000)
Deferred	-	(95,611)	-	(8,498)	-	623,737	-	519,628
TOTAL INCOME TAXES (BENEFIT)	(5,000)	(94,611)	-	(8,498)	-	624,737	-	516,628
NET INCOME (LOSS)	**$ 1,386,080**	**$ (186,599)**	**$ 32,656**	**$ 554,347**	**$ (28,314)**	**$ 1,012,638**	**$ (1,384,728)**	**$ 1,386,080**

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