

Supplementary financial summary for the year ended March 31, 2000

1. Operating performance

(millions of yen)

	April 1999 – March 2000			April 1998 – March 1999			April 1999 – September 1999		
	Consolidated [a]	Non-consolidated [b]	a/b	Consolidated [a]	Non-consolidated [b]	a/b	Consolidated [a]	Non-consolidated [b]	a/b
Net Sales	1,194,462	955,624	1.25	1,171,845	959,624	1.22	574,076	462,501	1.24
Operating profit	74,322	46,374	1.60	51,236	32,489	1.58	28,919	18,123	1.60
Ordinary profit	85,853	62,556	1.37	42,442	34,409	1.23	34,882	25,838	1.35
Net income	20,524	11,185	1.83	17,392	18,365	0.95	7,967	5,161	1.54
Total assets	1,180,372	981,114	1.20	1,185,249	1,011,145	1.17	1,216,137	1,027,499	1.18
Shareholders' equity	476,159	415,768	1.15	464,338	424,318	1.09	468,462	414,072	1.13
Net income per share (yen)	14.23	7.75	1.83	12.06	12.73	0.95	5.52	3.58	1.54
Shareholders' equity per share (yen)	330.07	288.20	1.15	321.88	294.13	1.09	324.73	287.03	1.13
ROA	1.7%	1.1%	–	1.5%	1.8%	–	1.3%	1.0%	–
ROE	4.4%	2.7%	–	3.8%	4.4%	–	3.4%	2.5%	–

2. Financial highlights

(billions of yen)

	April 1999 – March 2000		April 1998 – March 1999		Forecast (April 2000 – March 2001)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Capital expenditures*	58.2	43.1	70.2	50.3	68.2	54.0
Depreciation*	59.2	45.3	62.9	47.9	60.0	46.0
R&D expenditures	50.0	42.4	56.8	50.0	51.5	42.5
Interest bearing debt at end of term	293.1	236.6	361.2	298.0	310.0	250.0
Net financing income (expenses)	(4.0)	(1.2)	(6.1)	0.5	(3.0)	(1.0)
Labor costs	–	197.3	–	142.4		
Number of employees	26,781	12,808	29,263	14,720		

* Tangible fixed assets.

3. Key operating factors

	April 1999 – March 2000	April 1998 – March 1999	Forecast (April 2000 – March 2001)
Naphtha price (yen/kL, domestic)	17,950	15,000	20,000
Yen/US\$ exchange rate (market average)	112	128	105

4. Forecast for the fiscal year April 2000 – March 2001 (billions of yen)

	Consolidated [a]	Non-consolidated [b]	a/b
Net sales	1,250.0	1,000.0	1.25
Operating profit	88.0	57.0	1.54
Ordinary profit	81.0	52.0	1.56
Net income	27.0	15.0	1.80

5. Results by sector

5.1. Net sales

(billions of yen)

	April 1999 – March 2000		April 1998 – March 1999		Forecast (April 2000 – March 2001)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Chemicals and plastics	379.7	331.0	375.0	329.7	410.0	360.0
Housing and construction materials	413.0	378.5	372.6	340.9	430.0	400.0
Fibers and textiles	139.2	110.3	148.3	124.0	140.0	110.0
Special products and services	262.7	135.8	275.9	165.0	270.0	130.0
Total	1,194.5	955.6	1,171.8	959.6	1,250.0	1,000.0

5.2. Operating profit

(billions of yen)

	April 1999 – March 2000		April 1998 – March 1999		Forecast (April 2000 – March 2001)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Chemicals and plastics	19.7	18.2	13.8	12.1	30%	40%
Housing and construction materials	22.4	17.3	13.6	10.0	30%	35%
Fibers and textiles	2.2	0.1	2.1	0.3	5%	5%
Special products and services	30.0	10.8	21.8	10.2	35%	20%
Total	74.3	46.4	51.2	32.6	88.0	57.0

6. Breakdown of increase (decrease) in net sales and operating profit

6.1. Net sales

(billions of yen)

	Consolidated increase (decrease) due to:			Non-consolidated increase (decrease) [a]	Consolidated increase (decrease) [b]	a-b
	Sales price	Sales volume	Divestment			
Chemicals and plastics	(14.0)	25.0	(9.5)	4.5	1.5	3.0
Housing and construction materials	(2.0)	39.5	–	40.0	37.5	2.5
Fibers and textiles	(5.0)	(9.0)	–	(9.0)	(14.0)	5.0
Special products and services	(5.0)	3.0	(27.0)	(13.0)	(29.0)	16.0
Total	(26.0)	58.5	(36.5)	22.6	(4.0)	26.6

6.2. Operating profit

(billions of yen)

		Consolidated increase (decrease) [a]	Non-consolidated increase (decrease) [b]	a-b
Due to change in:	Sales price	(26.0)	(26.0)	–
	Sales volume	29.1	20.0	9.1
	Proportional expenses	17.0*	17.0	–
	Fixed expenses	2.9	2.9	–
Total		23.0	13.9	9.1

* Increase due to lower prices for feedstocks and materials: 11.0.

Increase due to reduced unit material & energy consumption and reduced cost of logistics: 6.0.

7. Interest bearing debt and net financing income (expenses)

7.1. Interest-bearing debt at end of term (billions of yen)

	March 2000		March 1999	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Short-term borrowings and commercial paper	41.5	3.3	84.8	41.5
Long-term loans	30.3	17.0	34.6	20.3
Bonds	220.0	216.0	240.3	236.0
Notes discounted	1.4	0.3	1.6	0.2
Total	293.1	236.7	361.2	298.0

7.2. Net financing income (expenses) (billions of yen)

	April 1999 – March 2000		April 1998 – March 1999	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Interest expenses	(8.6)	(6.5)	(11.8)	(8.4)
Interest income	1.7	0.6	2.8	1.3
Dividend income	4.8	4.7	7.9	7.7
Eliminations	(2.0)	–	(5.0)	–
Total	(4.0)	(1.2)	(6.1)	0.5

8. Consolidated statements of cash flows (billions of yen)

	April 1999 – March 2000
a. Cash flows from operating activities	68.1
b. Cash flows from investing activities	34.2
c. Free cash flows (a+b)	102.4
d. Cash flows from financing activities	(74.4)
e. Effect of exchange rate changes on cash and cash equivalents	(0.6)
f. Net increase (decrease) in cash and cash equivalents (c+d+e)	27.3
Cash and cash equivalents at beginning of year	75.6
Cash and cash equivalents held by newly consolidated subsidiaries	1.9
Cash and cash equivalents at end of year	104.9