

Supplementary financial summary for the six months ended September 30, 2002

Note: Fractions of one-tenth billion yen omitted.

1. Operating Performance

(billions of yen)

	April 2002 – September 2002			April 2001 – September 2001			Consolidated		Non-consolidated	
	Consolidated [a]	Non-consolidated [b]	a/b	Consolidated [a]	Non-consolidated [b]	a/b	Increase (decrease)	Percent change	Increase (decrease)	Percent change
Net Sales	577.4	435.6	1.33	600.0	461.2	1.30	(22.6)	-3.8%	(25.6)	-5.6%
Operating profit	24.7	12.2	2.02	23.7	12.5	1.89	1.0	+4.2%	(0.3)	-2.9%
Ordinary profit	20.9	10.0	2.09	20.6	14.3	1.44	0.3	+1.5%	(4.3)	-30.3%
Net income (loss)	(40.2)	(41.0)	0.98	3.0	2.5	1.22	(43.3)	–	(43.5)	–
Total assets*	1,223.6	1,034.2	1.18	1,208.8	1,017.9	1.19				
Shareholders' equity**	443.7	370.7	1.20	512.0	446.2	1.15				
Net income (loss) per share†	(28.71)	(29.25)	0.98	2.12	1.74	1.22				
Shareholders' equity per share†	316.45	264.36	1.20	354.96	309.35	1.15				
ROA‡	(6.7%)	(8.1%)	–	0.5%	0.5%	–				
ROE‡	(17.1%)	(20.7%)	–	1.2%	1.1%	–				
Cash dividends, six-month†	3.0			3.0						

* 1,193.0 as of March 2002.

** 496.8 as of March 2002.

† Yen.

‡ Annualized.

2. Financial Highlights

(billions of yen)

	April 2002 – September 2002		April 2001 – September 2001		Forecast (April 2002 – March 2003)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Capital expenditures*	32.8	18.7	33.5	20.4	79.0	46.5
Depreciation*	28.9	20.7	29.3	21.8	62.0	45.0
Interest bearing debt at end of term	350.4	305.1	304.5	248.4	350.0	295.0
Net financing income (expenses) <i>Of which, cash dividends received</i>	(1.7) <i>0.7</i>	(0.6) <i>1.6</i>	(1.4) <i>0.8</i>	2.1 <i>4.2</i>	(3.8) <i>1.4</i>	(1.9) <i>2.6</i>
R&D expenditures	24.3	19.7	23.9	20.2	50.0	41.0
Number of employees	26,529	11,942	26,746	12,221		

* Tangible fixed assets.

3. Key operating factors

	April 2002 – September 2002	April 2001 – September 2001	Forecast (April 2002 – March 2003)
Naphtha price (yen/kL, domestic)	22,650	24,400	24,000
Yen/US\$ exchange rate (market average)	123	122	120

4. Subsidiaries and affiliates

	September 2002	March 2002
Consolidated subsidiaries	101	101
Unconsolidated subsidiaries and affiliates*	53	59
Total	154	160

* Unconsolidated subsidiaries and 20–50% owned companies using the equity method.

5. Forecast for the fiscal year April 2001 – March 2002

5.1. Consolidated (billions of yen)

	April 2002 – March 2003 [a]	April 2001 – March 2002 [b]	a-b	Percent change
Net sales	1,200.0	1,195.3	4.6	+0.4%
Operating profit	54.0	45.6	8.3	+18.3%
Ordinary profit	45.0	39.8	5.1	+12.9%
Net income (loss)	(46.0)	5.1	(51.1)	–

5.2. Non-consolidated (billions of yen)

	April 2002 – March 2003 [a]	April 2001 – March 2002 [b]	a-b	Percent change
Net sales	910.0	922.0	(12.0)	–1.3%
Operating profit	30.0	25.1	4.8	+19.2%
Ordinary profit	27.0	27.9	(0.9)	–3.5%
Net income (loss)	(48.0)	1.0	(49.0)	–

6. Consolidated net sales and operating profit by sector

6.1. Consolidated net sales by sector

(billions of yen)

	April 2002 – September 2002 [a]	April 2001 – September 2001 [b]	a-b	Percent change	Forecast (April 2002 – March 2003)	April 2001 – March 2002
Chemical and chemical-related	229.1	223.6	5.4	+2.4%	474.0	440.6
Housing and construction materials <i>Of which, housing</i>	179.9 148.0	203.6 169.7	(23.6) (21.7)	-11.6% -12.8%	387.0 322.0	408.4 342.5
Fibers and textiles	56.3	64.3	(8.0)	-12.5%	114.0	125.9
Electronics	37.6	32.0	5.5	17.4%	74.0	64.0
Health care	52.1	49.0	3.0	+6.3%	105.0	98.6
Liquors, services and others	22.2	27.3	(5.0)	-18.4%	46.0	57.5
Total	577.4	600.0	(22.6)	-3.8%	1,200.0	1,195.3

6.2. Consolidated operating profit (loss) by sector

(billions of yen)

	April 2002 – September 2002 [a]	April 2001 – September 2001 [b]	a-b	Percent Change	Forecast (April 2002 – March 2003)	April 2001 – March 2002
Chemical and chemical-related	9.9	7.6	2.3	+30.7%	24.5	14.8
Housing and construction materials	2.5	7.5	(5.0)	-66.9%	9.5	14.5
Fibers and textiles	0.2	0.1	0.0	+56.0%	(0.5)	(0.9)
Electronics	5.8	2.0	3.7	+179.0%	9.5	3.5
Health care	7.6	6.5	1.0	+15.8%	13.0	13.3
Liquors, services and others	(1.4)	(0.4)	(1.0)	–	(2.0)	0.0
Combined	24.6	23.6	1.0	+4.6%	54.0	45.3
Eliminations	0.0	0.1	0.0	–	0.0	0.3
Consolidated	24.7	23.7	1.0	4.2	54.0	45.6

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

7.1. Breakdown of increase (decrease) in consolidated net sales (billions of yen)

	Increase (decrease) due to:			Net sales increase (decrease)
	Sales volume	Sales prices	Sales composition	
Chemical and chemical related	14.0	(4.5)	(4.1)	5.4
Housing and construction materials	(21.5)	(1.0)	(1.1)	(23.6)
Fibers and textiles	(10.0)	–	2.0	(8.0)
Electronics	6.0	(1.0)	0.5	5.5
Health Care	5.5	(1.5)	(1.0)	3.0
Liquors, services and others	(5.0)	–	–	(5.0)
Total	(11.0)	(8.0)	(3.7)	(22.6)

7.2. Breakdown of increase (decrease) in consolidated operating profit (billions of yen)

	Increase (decrease) due to:					Operating profit increase (decrease)
	Sales volume	Sales prices*	Variable costs**	Fixed costs	Sales composition	
Chemical and chemical related	4.5	(4.5)	3.0	–	(0.7)	2.3
Housing and construction materials	(9.0)	(1.0)	0.5	3.5	1.0	(5.0)
Fibers and textiles	(5.0)	–	(0.5)	5.5	–	0.0
Electronics	4.0	(1.0)	0.5	–	0.2	3.7
Health Care	2.5	(1.5)	(0.5)	1.0	(0.5)	1.0
Liquors, services and others	(1.0)	–	–	–	–	(1.0)
Total	(4.0)	(8.0)	3.0	10.0	0.0	1.0

* Mainly in polymers, pharmaceuticals, and medical devices.

** Mainly from ¥1,750/kL decrease in domestic naphtha price.

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

8.1. Interest-bearing debt at end of term

(billions of yen)

	September 2002		March 2002		September 2001	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Short-term borrowings and commercial paper	37.5	12.9	46.9	11.0	63.3	18.7
Long-term loans	70.4	51.7	59.9	48.0	32.0	23.0
Bonds	242.0	240.0	212.0	210.0	208.0	206.0
Notes discounted	0.4	0.3	0.6	0.5	1.1	0.6
Total	350.4	305.1	319.5	269.7	304.5	248.4

8.2. Net financing income (expenses)

(billions of yen)

	April 2002 – September 2002		April 2001 – September 2001	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Interest expenses	(2.8)	(2.4)	(2.8)	(2.2)
Interest income	0.3	0.1	0.5	0.1
Dividend income	0.7	1.6	0.8	4.2
Total	(1.7)	(0.6)	(1.4)	2.1

9. Consolidated statements of cash flows

(billions of yen)

	April 2002 – September 2002	April 2001 – September 2001
a. Cash flows from operating activities	36.3	15.6
b. Cash flows from investing activities	(37.5)	(42.5)
c. Free cash flows [a+b]	(1.1)	(26.8)
d. Cash flows from financing activities	21.2	17.7
e. Effect of exchange rate changes on cash and cash equivalents	(0.6)	(0.0)
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	19.4	(9.1)
Cash and cash equivalents at beginning of term	83.9	86.7
Cash and cash equivalents held by newly consolidated subsidiaries	4.9	0.0
Cash and cash equivalents at end of term	108.3	77.6