

Fiscal quarter ended June 2009

– supplementary financial summary –

August 4, 2009

Asahi Kasei Corporation

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Consolidated results for fiscal quarter ended June 2009

Summary of financial results

(¥ billion)

	April–June 2008	April–Sept. 2008	April–June 2009	April–Sept. 2009 forecast in May	April–June 2008 vs. 2009	
					Increase (decrease)	% change
Net sales	386.0	843.2	289.3	619.0	(96.6)	-25.0
Operating income (loss)	19.4	40.1	(0.3)	5.0	(19.7)	–
Ordinary income (loss)	21.2	40.7	(1.7)	4.0	(23.0)	–
Net income (loss)	13.5	23.4	(1.7)	0.0	(15.2)	–

Key operating factors

Naphtha price (¥/kL, domestic)	70,900	78,350	33,300	30,000
¥/US\$ exchange rate (market average)	105	106	97	95

Financial position

	At end of March 2009	At end of June 2009	Increase (decrease)
Total assets	1,379.3	1,399.7	20.4
Equity	603.8	610.5	6.7
Interest-bearing debt	315.6	332.7	17.1
Debt/equity ratio	0.52	0.55	0.03

Statements of income

Asahi**KASEI**

(¥ billion)

	April–June 2008		April–June 2009		Increase (decrease)	% change
		% of sales		% of sales		
Net sales	386.0	100.0%	289.3	100.0%	(96.6)	-25.0
Cost of sales	295.6	76.6%	225.2	77.8%	(70.4)	-23.8
Gross profit	90.4	23.4%	64.2	22.2%	(26.2)	-29.0
Selling, general and administrative expenses	71.0	18.4%	64.5	22.3%	(6.5)	-9.1
Operating income	19.4	5.0%	(0.3)	-0.1%	(19.7)	–
Non-operating expenses	1.8	/	(1.4)	/	(3.3)	/
of which,						
financing income and expense	0.6	/	0.2	/	(0.4)	/
equity in earnings (loss) of affiliates	0.4	/	(0.6)	/	(1.0)	/
Ordinary income	21.2	5.5%	(1.7)	-0.6%	(23.0)	–
Extraordinary losses	(0.6)	/	(1.3)	/	(0.7)	/
Income before income taxes	20.7	5.4%	(3.0)	-1.0%	(23.7)	–
Income taxes	(6.9)	/	1.2	/	8.1	/
Minority interests in income	(0.3)	/	0.1	/	0.4	/
Net income (losses)	13.5	3.5%	(1.7)	-0.6%	(15.2)	–

Balance sheets

AsahiKASEI

(¥ billion)

	At end of Mar. 2009	At end of Jun. 2009	Increase (decrease)		At end of Mar. 2009	At end of Jun. 2009	Increase (decrease)
Current assets	682.2	674.6	(7.6)	Liabilities	768.0	781.6	13.7
Cash and deposits	98.0	75.4	(22.5)	Current liabilities	487.9	497.9	10.0
Notes and accounts receivable - trade	208.9	223.0	14.1	Noncurrent liabilities	280.1	283.8	3.7
Inventories	273.5	286.2	12.7	Net assets	611.4	618.1	6.8
Other current assets	101.8	90.0	(11.8)	Shareholders' equity	599.1	592.9	(6.2)
Noncurrent assets	697.1	725.1	28.0	Capital stock	103.4	103.4	–
Property, plant and equipment	441.3	456.1	14.8	Capital surplus	79.4	79.4	(0.0)
Intangible assets	37.4	40.4	3.0	Retained earnings	418.3	412.1	(6.2)
Investments and other assets	218.5	228.6	10.1	Treasury stock	(1.9)	(2.0)	(0.0)
				Valuation and translation adjustments	4.7	17.6	12.9
				Minority interests	7.5	7.6	0.1
Total assets	1,379.3	1,399.7	20.4	Total liabilities and net assets	1,379.3	1,399.7	20.4

(¥ billion)

	Q1 2008	Q1 2009
a. Net cash provided by (used in) operating activities	4.8	(2.8)
b. Net cash provided by (used in) investing activities	(40.5)	(24.2)
c. Free cash flows [a+b]	(35.7)	(27.0)
d. Net cash provided by (used in) financing activities	40.3	3.7
e. Effect of exchange rate change on cash and cash equivalents	(2.8)	0.3
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	1.7	(23.1)
g. Cash and cash equivalents at beginning of period	83.0	98.1
h. Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	–	0.4
i. Cash and cash equivalents at end of period [f+g+h]	84.8	75.4

Sales and operating income by segment* **AsahiKASEI**

(¥ billion)

	Sales			Operating income		
	Q1 2008 [†]	Q1 2009	Increase (decrease)	Q1 2008 [†]	Q1 2009	Increase (decrease)
Chemicals	195.0	132.9	(62.0)	6.2	2.2	(4.0)
Homes	63.7	58.5	(5.2)	(3.7)	(3.0)	0.8
Health Care	34.6	28.5	(6.1)	9.0	3.1	(5.9)
Fibers	30.7	22.4	(8.3)	1.1	(1.5)	(2.6)
Electronics	39.6	31.5	(8.0)	6.8	(0.6)	(7.4)
Construction Materials	14.7	11.6	(3.0)	0.3	(0.0)	(0.4)
Services, Engineering and Others	7.7	3.9	(3.8)	1.3	0.4	(0.9)
Corporate Expenses and Eliminations	—	—	—	(1.6)	(1.0)	0.6
Consolidated	386.0	289.3	(96.6)	19.4	(0.3)	(19.7)

* The following segments are renamed from first quarter FY2009:
 (Previously) Pharma (Renamed to) Health Care
 Electronics Devices & Materials Electronics

† Q1 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Sales increases/decreases by segment

AsahiKASEI

(Q1 2008 vs. Q1 2009, ¥ billion)

	Sales		Increase (decrease) due to:				Net increase (decrease)	Q4 2008*
	Q1 2008*	Q1 2009	Sales volume	Sales prices	of which, due to foreign exchange	Others		
Chemicals	195.0	132.9	(27.3)	(30.8)	(1.8)	(4.0)	(62.0)	110.4
Homes	63.7	58.5	(5.0)	(0.2)	–	0.0	(5.2)	127.5
Health Care	34.6	28.5	1.5	(1.1)	(0.9)	(6.5)	(6.1)	27.2
Fibers	30.7	22.4	(5.9)	(2.4)	(0.8)	0.0	(8.3)	24.2
Electronics	39.6	31.5	(7.6)	(2.7)	(0.8)	2.2	(8.0)	19.8
Construction Materials	14.7	11.6	(3.6)	0.6	–	0.0	(3.0)	12.9
Services, Engineering and Others	7.7	3.9	(3.8)	0.0	0.0	0.0	(3.8)	8.0
Total	386.0	289.3	(51.8)	(36.5)	(4.3)	(8.3)	(96.6)	330.1

* Q1 and Q4 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Operating income increases/decreases by segment **AsahiKASEI**

(Q1 2008 vs. Q1 2009, ¥ billion)

	Operating income		Increase (decrease) due to:				Net increase (decrease)	Q4 2008*
	Q1 2008*	Q1 2009	Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others		
Chemicals	6.2	2.2	(3.4)	(30.8)	(1.8)	30.2	(4.0)	(17.3)
Homes	(3.7)	(3.0)	(1.8)	(0.2)	—	2.8	0.8	11.1
Health Care	9.0	3.1	1.8	(1.1)	(0.9)	(6.6)	(5.9)	(0.9)
Fibers	1.1	(1.5)	(1.2)	(2.4)	(0.8)	0.9	(2.6)	(2.3)
Electronics	6.8	(0.6)	(2.9)	(2.7)	(0.8)	(1.8)	(7.4)	(6.6)
Construction Materials	0.3	(0.0)	(1.2)	0.6	—	0.3	(0.4)	(0.2)
Services, Engineering and Others	1.3	0.4	(0.9)	0.0	0.0	0.0	(0.9)	1.5
Corporate Expenses and Eliminations	(1.6)	(1.0)	—	—	—	0.6	0.6	(0.5)
Total	19.4	(0.3)	(9.7)	(36.5)	(4.3)	26.5	(19.7)	(15.1)

* Q1 and Q4 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Forecast for first fiscal half 2009

Consolidated operating performance

Asahi**KASEI**

(¥ billion)

	FY 2008			H1 2009 forecast			Increase (decrease) b-a	FY 2009 forecast in May		Increase (decrease) b-c
	H1	H2	Total	Q1	Q2	b		H1	Total	
	a				forecast		c		b-c	
Net sales	843.2	709.9	1,553.1	289.3	361.7	651.0	(192.2)	619.0	1,355.0	32.0
Operating income	40.1	(5.2)	35.0	(0.3)	5.3	5.0	(35.1)	5.0	41.0	-
Ordinary income	40.7	(8.2)	32.5	(1.7)	5.2	3.5	(37.2)	4.0	39.0	(0.5)
Net income	23.4	(18.7)	4.7	(1.7)	1.7	0.0	(23.4)	0.0	15.0	-

Key operating factors

Naphtha price (¥/kL, domestic)	78,350	39,500	58,925	33,300	42,000	37,650	(40,700)	30,000	30,000	7,650
¥/US\$ exchange rate (market average)	106	95	101	97	95	96	(10)	95	95	1

	FY 2008	FY 2009 (planned)		
		H1	H2	Total
Dividends per share	¥10	¥5	¥5	¥10

Sales forecast by segment

Asahi**KASEI**

(¥ billion)

	FY 2008*			FY 2009			Increase (decrease)	H1 2009 forecast in May	Increase (decrease)
	Q1	Q2	1st half	Q1	Q2 forecast	1st half forecast			
Chemicals	195.0	227.2	422.1	132.9	145.1	278.0	(144.1)	238.0	40.0
Homes	63.7	106.6	170.3	58.5	99.5	158.0	(12.3)	162.0	(4.0)
Health Care	34.6	28.2	62.8	28.5	28.5	57.0	(5.8)	57.0	–
Fibers	30.7	33.4	64.1	22.4	30.6	53.0	(11.1)	56.0	(3.0)
Electronics	39.6	39.1	78.7	31.5	37.5	69.0	(9.7)	63.0	6.0
Construction Materials	14.7	16.6	31.3	11.6	13.4	25.0	(6.3)	30.0	(5.0)
Services, Engineering and Others	7.7	6.2	13.9	3.9	7.1	11.0	(2.9)	13.0	(2.0)
Consolidated	386.0	457.3	843.2	289.3	361.7	651.0	(192.2)	619.0	32.0

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Operating income forecast by segment

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(¥ billion)

	FY 2008*			FY 2009			Increase (decrease)	H1 2009 forecast in May	Increase (decrease)
	Q1	Q2	1st half	Q1	Q2 forecast	1st half forecast			
Chemicals	6.2	6.9	13.1	2.2	2.8	5.0	(8.1)	6.0	(1.0)
Homes	(3.7)	6.8	3.0	(3.0)	4.0	1.0	(2.0)	1.0	–
Health Care	9.0	1.2	10.2	3.1	0.4	3.5	(6.7)	3.0	0.5
Fibers	1.1	0.2	1.3	(1.5)	(2.0)	(3.5)	(4.8)	(2.5)	(1.0)
Electronics	6.8	5.8	12.6	(0.6)	2.6	2.0	(10.6)	1.0	1.0
Construction Materials	0.3	0.5	0.8	(0.0)	0.0	0.0	(0.8)	0.5	(0.5)
Services, Engineering and Others	1.3	1.8	3.1	0.4	0.6	1.0	(2.1)	0.5	0.5
Corporate Expenses and Eliminations	(1.6)	(2.4)	(4.0)	(1.0)	(3.0)	(4.0)	(0.0)	(4.5)	0.5
Consolidated	19.4	20.7	40.1	(0.3)	5.3	5.0	(35.1)	5.0	–

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Appendix

Quarterly sales by segment

(¥ billion)

	FY2008*				FY2009	
	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Chemicals	195.0	227.2	156.7	110.4	132.9	145.1
Homes	63.7	106.6	112.1	127.5	58.5	99.5
Health Care	34.6	28.2	29.6	27.2	28.5	28.5
Fibers	30.7	33.4	28.1	24.2	22.4	30.6
Electronics	39.6	39.1	31.2	19.8	31.5	37.5
Construction Materials	14.7	16.6	16.7	12.9	11.6	13.4
Services, Engineering and Others	7.7	6.2	5.4	8.0	3.9	7.1
Total	386.0	457.2	379.8	330.1	289.3	361.7

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Quarterly operating income by segment

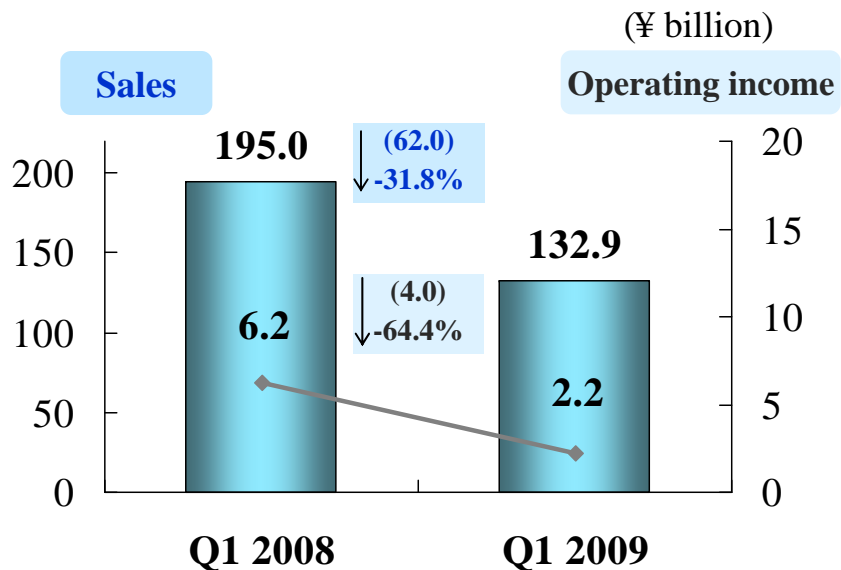
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(¥ billion)

	FY2008*				FY2009	
	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Chemicals	6.2	6.9	(2.3)	(17.3)	2.2	2.8
Homes	(3.7)	6.8	7.8	11.1	(3.0)	4.0
Health Care	9.0	1.2	2.8	(0.9)	3.1	0.4
Fibers	1.1	0.2	(0.5)	(2.3)	(1.5)	(2.0)
Electronics	6.8	5.8	1.2	(6.6)	(0.6)	2.6
Construction Materials	0.3	0.5	1.0	(0.2)	(0.0)	0.0
Services, Engineering and Others	1.3	1.8	1.0	1.5	0.4	0.6
Corporate Expenses and Eliminations	(1.6)	(2.4)	(1.1)	(0.5)	(1.0)	(3.0)
Total	19.4	20.7	9.9	(15.1)	(0.3)	5.3

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.



Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Review of operations

Volume products:

Lower product prices due to feedstock price declines and decreased shipments due to deteriorating market conditions both in chemicals and derivative products and in polymer products. Sales and operating income decrease.

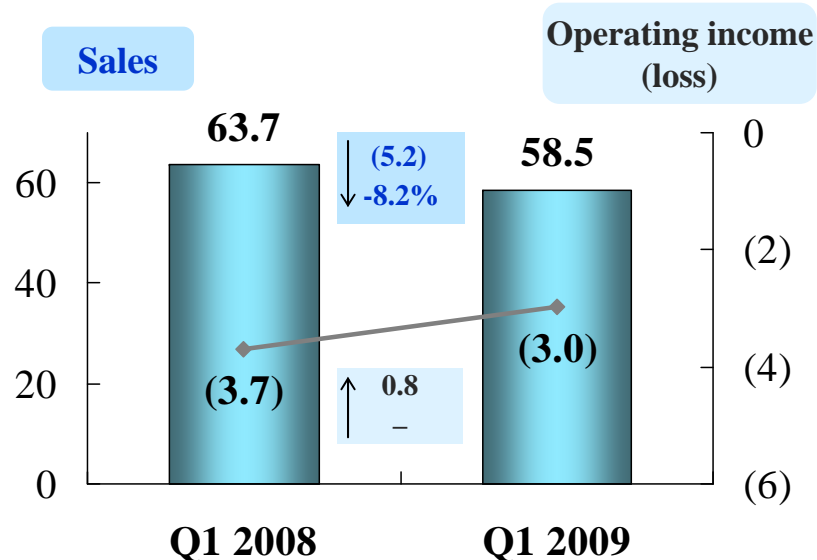
Specialty products:

Decreased shipments due to deteriorating market conditions. Sales and operating income decrease.

Highlights

- April, decision to construct new power generation facility using wood biomass fuel.
- April, signing of accord with Suzuka City for emergency supply of drinking water.
- June, announcement of study for unification of naphtha cracker operations in Mizushima with Mitsubishi Chemical Holdings Corp.
- June, Microza™ MF hollow-fiber membranes selected for large-scale waterworks facility in the Philippines – to be one of the largest membrane-filtration water-treatment facilities in Asia.
- June, conclusion of memorandum for study of acetonitrile production in Thailand.

(¥ billion)



Results by product category*

	Q1 2008		Q1 2009		Increase (decrease)	
	Sales	Operating income (loss)	Sales	Operating income (loss)	Sales	Operating income (loss)
Order-built homes	44.4	/	37.9	/	(6.5)	/
Pre-built homes	2.6	/	2.6	/	0.0	/
Others	0.2	/	0.3	/	0.1	/
Total homes	47.2	(4.9)	40.8	(4.4)	(6.4)	0.6
Housing-related	16.5	1.2	17.7	1.4	1.2	0.2
Total	63.7	(3.7)	58.5	(3.0)	(5.2)	0.8

* Product category division unaudited.

Review of operations

Decreased deliveries of order-built Hebel Haus™ unit homes. Good performance of remodeling and other housing-related operations. Cutting fixed costs. Sales decrease, but operating loss decrease.

Maintaining relatively firm performance under the challenging general climate for housing. Value of new orders decreasing 1.1% from the first quarter a year ago.

Highlights

- May, market launch of Smart Hebel Haus™ high-performance/simple structure homes in affordable price range.
- July, market launch of Dura-Photo™ high-durability and high-performance photocatalyst paint developed jointly with Asahi Kasei Corp. and Asahi Kasei Chemicals Corp.

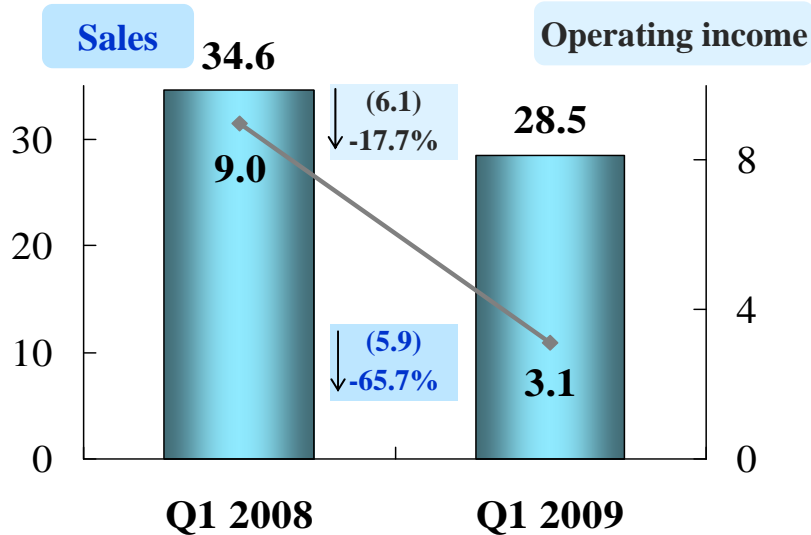
Homes / sales and order trends

(¥ billion, % change from same period of previous year shown at right)

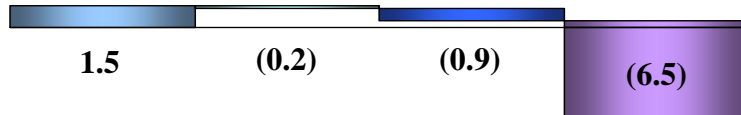
		Value of new orders during the term	Sales of order-built homes	Sales of pre-built homes	Other sales*	Unconsolidated	Consolidated subsidiaries	Consolidated	Order backlog
FY05	H1	150.4 (-1.7%)	140.2 (+0.9%)	20.5 (+213.0%)	0.4	161.1 (+10.4%)	24.2 (+13.8%)	185.3 (+10.8%)	320.4
	H2	162.9 (+9.5%)	179.3 (+4.3%)	13.1 (-3.6%)	0.6	193.0 (+3.8%)	26.2 (+16.4%)	219.2 (+5.1%)	304.0
	annual	313.3 (+3.8%)	319.4 (+2.8%)	33.6 (+67.0%)	1.1	354.1 (+6.7%)	50.4 (+15.1%)	404.5 (+7.7%)	
FY 06	H1	156.1 (+3.7%)	134.7 (-3.9%)	6.0 (-70.9%)	0.5	141.1 (-12.4%)	28.0 (+15.7%)	169.1 (-8.7%)	325.3
	H2	147.3 (-9.6%)	182.9 (+2.0%)	23.0 (+75.8%)	0.5	206.4 (+6.9%)	30.2 (+15.3%)	236.6 (+7.9%)	289.8
	annual	303.4 (-3.2%)	317.6 (-0.6%)	28.9 (-13.8%)	1.0	347.5 (-1.9%)	58.2 (+15.5%)	405.7 (+0.3%)	
FY07	H1	153.6 (-1.5%)	131.2 (-2.6%)	5.0 (-16.5%)	0.4	136.6 (-3.2%)	30.3 (+8.2%)	166.9 (-1.3%)	312.3
	H2	152.5 (+3.5%)	165.9 (-9.3%)	19.5 (-15.1%)	0.5	186.0 (-9.9%)	33.3 (+10.3%)	219.3 (-7.3%)	298.8
	annual	306.1 (+0.9%)	297.1 (-6.5%)	24.5 (-15.4%)	1.0	322.5 (-7.2%)	63.7 (+9.5%)	386.2 (-4.8%)	
FY08	Q1	77.3 (-3.0%)	44.4 (-4.7%)	2.6 (+196.2%)	0.2	47.2 (-0.9%)	16.5 (+12.2%)	63.7 (+2.2%)	331.7
	Q2	79.8 (+7.9%)	85.0 (+0.5%)	3.4 (-17.5%)	0.4	88.8 (-0.1%)	17.8 (+14.1%)	106.6 (+1.9%)	326.6
	H1	157.1 (+2.3%)	129.4 (-1.4%)	6.0 (+19.7%)	0.7	136.0 (-0.4%)	34.3 (+13.2%)	170.3 (+2.0%)	
	H2	133.9 (-12.1%)	177.9 (+7.2%)	24.0 (+22.8%)	0.9	202.7 (+9.0%)	36.9 (+10.8%)	239.6 (+9.3%)	282.6
	annual	291.1 (-4.9%)	307.3 (+3.4%)	29.9 (+22.2%)	1.5	338.7 (+5.0%)	71.2 (+11.8%)	409.9 (+6.1%)	
FY09	Q1	76.4 (-1.1%)	37.9 (-14.6%)	2.6 (0.0%)	0.3	40.8 (-13.5%)	17.7 (+7.2%)	58.5 (-8.2%)	321.1
	Q2 forecast	77.6 (-2.9%)	77.6 (-8.7%)	3.4 (+1.0%)	0.7	81.7 (-8.0%)	17.8 (0.0%)	99.5 (-6.6%)	321.1
	H1 forecast	154.0 (-2.0%)	115.5 (-10.7%)	6.0 (0.0%)	1.0	122.5 (-9.9%)	35.5 (+3.5%)	158.0 (-7.2%)	

* Including commissions on property insurance.

(¥ billion)



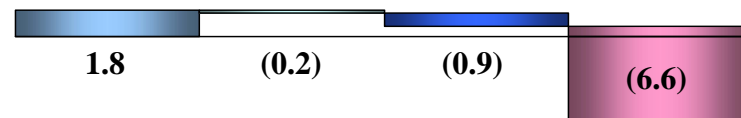
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Review of operations

Increased shipments of the Flivas™ agent for the treatment of benign prostatic hyperplasia, but decreased licensing income in pharmaceuticals. Increased shipments of Planova™ virus removal filters to overseas markets, but impact of the appreciation of the yen in devices. Sales and operating income decrease.

Highlights

- April, completion of new hollow-fiber spinning plant for Planova™ virus removal filters.
- April, license agreement for development and sale of Flivas™ in Korea.
- April, completion of new plant for Sepacell™ leukocyte reduction filters.
- May, decision to withdraw from fine chemicals business, such as production and sale of coenzyme Q10.
- May, conclusion of agreement for business alliance with NxStage Medical, Inc., a home dialysis systems company.
- June, market launch of Planova™ BioEX, specifically designed virus removal filters for biopharmaceuticals processing.

Sales of Health Care segment

(¥ billion)

		FY 2008		FY 2009
		Q1	H1	Q1
	Pharmaceuticals	18.4	30.4	13.6
	Others	2.6	5.4	2.2
Asahi Kasei Pharma consolidated		21.0	35.8	15.8
Devices*		13.6	27.0	12.7
Total		34.6	62.8	28.5

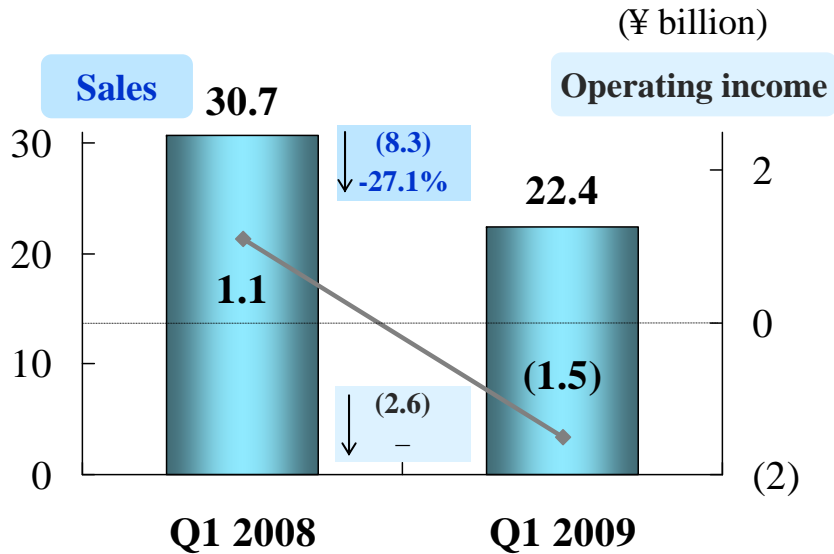
* Asahi Kasei Kuraray Medical, Asahi Kasei Medical and their affiliate companies.

Main pharmaceuticals domestic sales

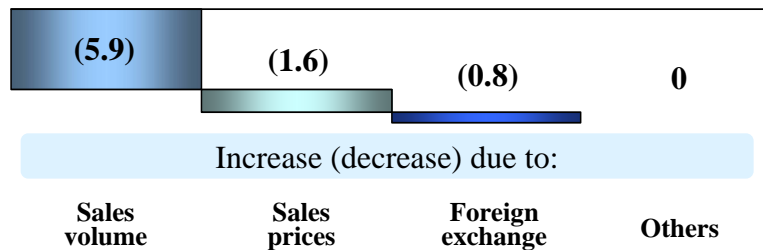
(¥ billion)

	FY 2008		FY 2009
	Q1	H1	Q1
Elcitonin™	3.3	6.8	3.7
Bredinin™	1.6	3.1	1.7
Flivas™	2.2	4.5	3.5
Toledomin™	1.5	2.9	1.3
Exacin™	0.2	0.4	0.2
Zesulan™	0.3	0.5	0.3
Eril™	0.4	0.7	0.4

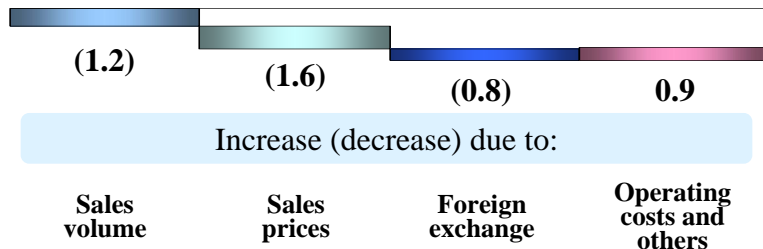
Development stage	Product	Objective	Class	Indication
Phase III	AT-877 (Injection)	Additional indication	Rho-kinase inhibitor	Acute cerebral infarction
	PTH (Injection)	New biologic	Synthetic human parathyroid hormone	Osteoporosis
Preparing for Phase III	AK-120 (Oral)	Additional indication	Famciclovir antiviral	Herpes simplex
Phase II	AT-877 (Oral)	Additional indication New dosage form	Rho-kinase inhibitor	Pulmonary hypertension
Preparing for Phase II	AK-150 (Injection)	New chemical entity	Pentosan polysulfate	Osteoarthritis



Sales increases/decreases



Operating income increases/decreases

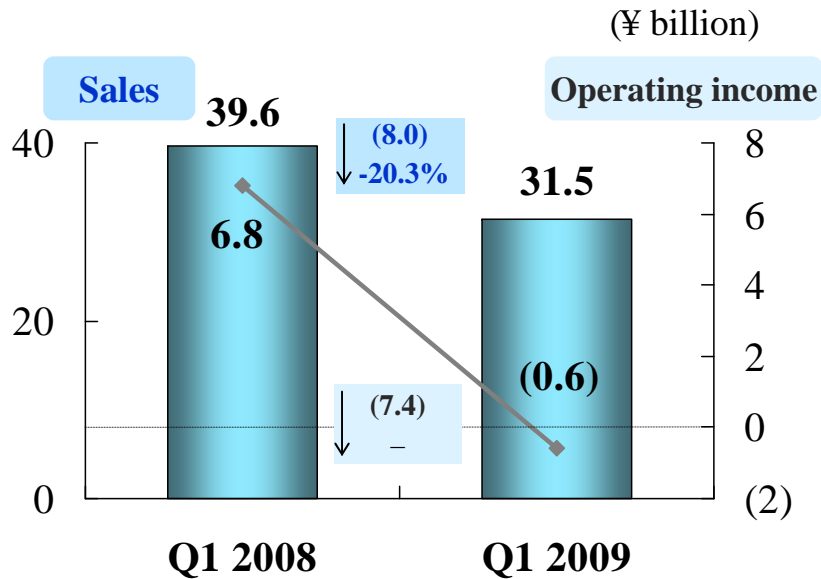


Review of operations

Decreased shipments and lower market prices of Roica™ elastic polyurethane filament due to deteriorating overseas market conditions. Decreased shipments of Bemberg™ regenerated cellulose to overseas markets and of Leona™ nylon 66 filament for tire cord applications. Sales and operating income decrease.

Highlights

- July, decision for dissolution of Solotex Corp., the joint venture for polytrimethylene terephthalate (PTT) fiber operations with Teijin Fibers Ltd.



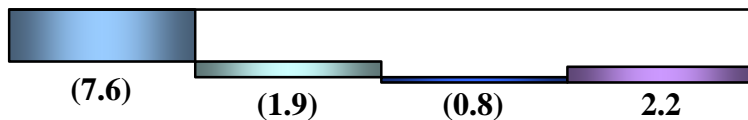
Review of operations

Decreased shipments of electronics devices, such as LSIs and Hall elements, and electronics materials, though market conditions in the electronics industry as a whole improved from the severe deterioration which began in the second half of fiscal 2008. Sales and operating income decrease.

Highlights

- April, acquisition of semiconductor business from Toko Inc.

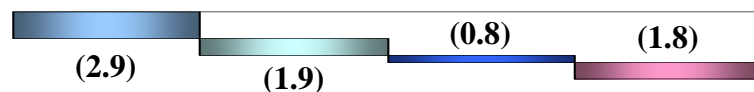
Sales increases/decreases



Increase (decrease) due to:

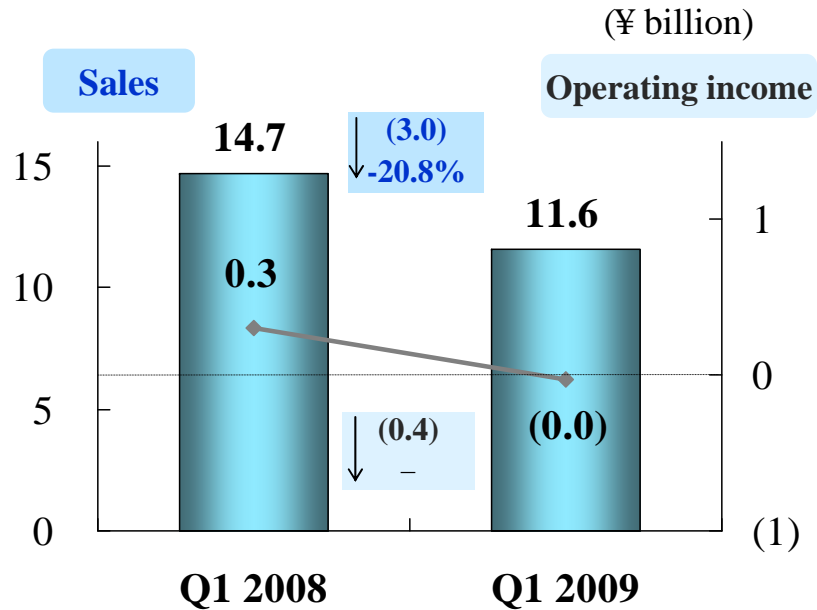
Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others



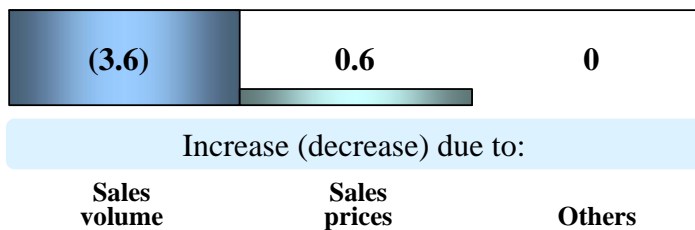
Review of operations

Decreased shipments of Hebel™ autoclaved aerated concrete (AAC) panels, other AAC-related products, and of piling systems for foundations with the decline in new construction starts. Sales and operating income decrease.

Highlights

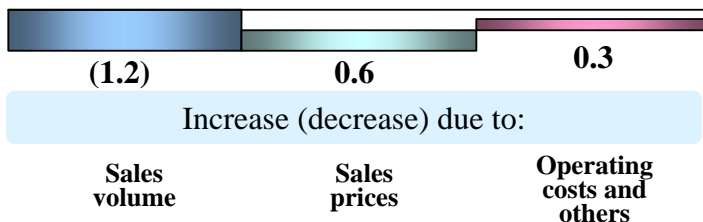
- May, decision to close autoclaved aerated concrete plant in Shiraoi.

Sales increases/decreases



Increase (decrease) due to:

Operating income increases/decreases



Increase (decrease) due to:

– Disclaimer –

The forecasts and estimates shown in this document are dependent on a variety of assumptions and economic conditions. Plans and figures depicting the future do not imply a guarantee of actual outcomes.