

Fiscal quarter ended June 2011

– supplementary financial summary –

August 2, 2011

Asahi Kasei Corporation

Consolidated results for fiscal quarter ended June 2011

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Consolidated results for fiscal quarter ended June 2011

Summary of financial results

Asahi**KASEI**

(¥ billion)

	April–June 2010	April–Sept. 2010	April–June 2011	April–Sept. 2011 forecast in May	April–June 2010 vs. 2011	
					Increase (decrease)	% change
Net sales	353.5	764.8	376.1	827.0	22.6	6.4
Operating income	22.8	63.5	30.2	50.5	7.4	32.4
Ordinary income	20.7	59.6	30.4	50.5	9.6	46.4
Net income	9.3	28.5	19.4	28.5	10.1	109.3

Key operating factors

Naphtha price (¥/kL, domestic)	49,600	46,150	59,000	60,000
¥/US\$ exchange rate (market average)	92	89	82	80

Financial position

	At end of March 2011	At end of June 2011	Increase (decrease)
Total assets	1,425.9	1,411.7	(14.2)
Equity	663.6	681.5	17.9
Interest-bearing debt	253.9	237.8	(16.1)
Debt/equity ratio	0.38	0.34	(0.04)

Statements of income

Asahi**KASEI**

(¥ billion)

	April-June 2010		April-June 2011		Increase (decrease)	% change
		% of sales		% of sales		
Net sales	353.5	100.0%	376.1	100.0%	22.6	+6.4
Cost of sales	262.5	74.3%	276.6	73.5%	14.1	+5.4
Gross profit	91.0	25.7%	99.6	26.5%	8.5	+9.4
Selling, general and administrative expenses	68.2	19.3%	69.3	18.4%	1.1	+1.7
Operating income	22.8	6.5%	30.2	8.0%	7.4	+32.4
Non-operating income (expenses)	(2.1)		0.1		2.2	
of which,						
financing income and expense	0.4		0.7		0.4	
equity in earnings of affiliates	0.4		0.7		0.3	
foreign exchange loss	(2.3)		(1.2)		1.1	
Ordinary income	20.7	5.9%	30.4	8.1%	9.6	+46.4
Extraordinary income (loss)	(6.9)		(1.8)		5.1	
Income before income taxes	13.8	3.9%	28.5	7.6%	14.7	+106.7
Income taxes	(4.1)		(8.9)		(4.8)	
Minority interests in income (loss)	(0.4)		(0.3)		0.1	
Net income	9.3	2.6%	19.4	5.2%	10.1	+109.3

Balance sheets

AsahiKASEI

(¥ billion)

	At end of Mar. 2011	At end of Jun. 2011	Increase (decrease)		At end of Mar. 2011	At end of Jun. 2011	Increase (decrease)
Current assets	755.7	743.1	(12.6)	Liabilities	750.3	718.2	(32.1)
Cash and deposits	140.3	115.6	(24.7)	Current liabilities	489.9	462.0	(27.8)
Notes and accounts receivable, trade	273.4	257.5	(15.9)	Noncurrent liabilities	260.4	256.2	(4.2)
Inventories	256.2	286.7	30.4	Net assets	675.6	693.5	17.9
Other current assets	85.7	83.3	(2.4)	Shareholders' equity	659.4	670.6	11.2
Noncurrent assets	670.2	668.6	(1.7)	Capital stock	103.4	103.4	—
Property, plant and equipment	418.4	417.7	(0.6)	Capital surplus	79.4	79.4	0.0
Intangible assets	31.1	30.1	(1.0)	Retained earnings	478.7	489.9	11.2
Investments and other assets	220.8	220.8	0.0	Treasury stock	(2.1)	(2.1)	(0.0)
				Accumulated other comprehensive income	4.2	10.9	6.7
				Minority interests	12.0	12.0	(0.1)
Total assets	1,425.9	1,411.7	(14.2)	Total liabilities and net assets	1,425.9	1,411.7	(14.2)

(¥ billion)

	Q1 2010	Q1 2011
a. Net cash provided by (used in) operating activities	1.8	12.9
b. Net cash provided by (used in) investing activities	(16.2)	(18.8)
c. Free cash flows [a+b]	(14.4)	(5.9)
d. Net cash provided by (used in) financing activities	5.9	(26.3)
e. Effect of exchange rate change on cash and cash equivalents	0.3	1.1
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	(8.2)	(31.1)
g. Cash and cash equivalents at beginning of period	93.1	134.4
h. Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	0.9	1.5
i. Effect of change in the reporting period of consolidated subsidiaries and affiliates	—	0.5
j. Cash and cash equivalents at end of period [f+g+h+i]	85.8	105.4

Sales and operating income by segment **AsahiKASEI**

(¥ billion)

	Sales			Operating income		
	Q1 2010	Q1 2011	Increase (decrease)	Q1 2010	Q1 2011	Increase (decrease)
Chemicals	178.4	186.0	7.6	15.3	19.4	4.1
Homes	64.5	79.2	14.7	(0.9)	3.6	4.6
Health Care	28.7	29.4	0.6	3.3	2.6	(0.8)
Fibers	26.5	27.7	1.3	1.2	1.4	0.2
Electronics	40.9	39.8	(1.1)	5.2	4.8	(0.4)
Construction Materials	11.0	10.1	(0.9)	0.3	0.2	(0.1)
Others	3.5	4.0	0.4	0.3	0.4	0.1
Corporate Expenses and Eliminations	—	—	—	(2.0)	(2.2)	(0.2)
Consolidated	353.5	376.1	22.6	22.8	30.2	7.4

Sales increases/decreases by segment (i) **AsahiKASEI**

(¥ billion)

		Q1 2010	Q1 2011	Net increase (decrease)	Increase (decrease) due to:				
					Sales volume	Sales prices	of which, due to foreign exchange	Others	Operating costs and others
Chemicals	Sales	178.4	186.0	7.6	5.4	8.7	(5.0)	(6.5)	—
	Operating income	15.3	19.4	4.1	1.4				—
Homes	Sales	64.5	79.2	14.7	10.2	0.6	—	3.9	—
	Operating income	(0.9)	3.6	4.6	3.5				—
Health Care	Sales	28.7	29.4	0.6	2.5	(0.8)	(0.2)	(1.1)	—
	Operating income	3.3	2.6	(0.8)	2.1				—
Fibers	Sales	26.5	27.7	1.3	0.8	0.4	(0.6)	0.0	—
	Operating income	1.2	1.4	0.2	0.0				—

Sales increases/decreases by segment (ii) AsahiKASEI

(¥ billion)

		Q1 2010	Q1 2011	Net increase (decrease)	Increase (decrease) due to:				
					Sales volume	Sales prices	of which, due to foreign exchange	Others	Operating costs and others
Electronics	Sales	40.9	39.8	(1.1)	4.0	(5.2)	(1.3)	0.0	—
	Operating income	5.2	4.8	(0.4)	3.4			—	1.4
Construction Materials	Sales	11.0	10.1	(0.9)	(0.8)	(0.2)	—	0.0	—
	Operating income	0.3	0.2	(0.1)	(0.1)			—	0.2
Others	Sales	3.5	4.0	0.4	0.4	0.0	0.0	0.0	—
	Operating income	0.3	0.4	0.1	0.1			—	(0.0)
Corporate expenses and eliminations	Operating income	(2.0)	(2.2)	(0.2)	—	—	—	—	(0.2)
Consolidated	Sales	353.5	376.1	22.6	22.7	3.6	(7.1)	(3.7)	—
	Operating income	22.8	30.2	7.4	10.3			—	(6.5)

Forecast for first fiscal half 2011

Consolidated operating performance

Asahi**KASEI**

(¥ billion)

	FY 2010			H1 2011 forecast			Increase (decrease) b-a	H1 2011 forecast in May c	Increase (decrease) b-c
	H1 a	H2	Total	Q1	Q2 forecast	b			
Net sales	764.8	833.6	1,598.4	376.1	433.9	810.0	45.2	827.0	(17.0)
Operating income	63.5	59.4	122.9	30.2	30.3	60.5	(3.0)	50.5	10.0
Ordinary income	59.6	58.6	118.2	30.4	29.6	60.0	0.4	50.5	9.5
Net income	28.5	31.8	60.3	19.4	15.6	35.0	6.5	28.5	6.5

Key operating factors

Naphtha price (¥/kL, domestic)	46,150	48,750	47,450	59,000	55,000	57,000	10,850	60,000	(3,000)
¥/US\$ exchange rate (market average)	89	82	86	82	80	81	(8)	80	1

	FY 2010	H1 2011 (planned)
Dividends per share	¥11	¥6

Sales forecast by segment

AsahiKASEI

(¥ billion)

	FY 2010			FY 2011			Increase (decrease)	H1 2011 forecast in May	Increase (decrease)	Increase (decrease) from Q1 to Q2 2011 forecast
	Q1	Q2	1st half	Q1	Q2 forecast	1st half forecast				
Chemicals	178.4	186.6	365.0	186.0	203.0	389.0	24.0	400.0	(11.0)	17.0
Homes	64.5	109.0	173.5	79.2	112.8	192.0	18.5	192.0	—	33.6
Health Care	28.7	29.0	57.8	29.4	30.6	60.0	2.2	61.0	(1.0)	1.3
Fibers	26.5	28.1	54.6	27.7	27.3	55.0	0.4	55.0	—	(0.5)
Electronics	40.9	42.2	83.2	39.8	41.2	81.0	(2.2)	83.0	(2.0)	1.4
Construction Materials	11.0	12.4	23.4	10.1	13.9	24.0	0.6	27.0	(3.0)	3.9
Others	3.5	3.9	7.4	4.0	5.0	9.0	1.6	9.0	—	1.1
Consolidated	353.5	411.3	764.8	376.1	433.9	810.0	45.2	827.0	(17.0)	57.8

Operating income forecast by segment

Asahi**KASEI**

(¥ billion)

	FY 2010			FY 2011			Increase (decrease)	H1 2011 forecast in May	Increase (decrease)	Increase (decrease) from Q1 to Q2 2011 forecast
	Q1	Q2	1st half	Q1	Q2 forecast	1st half forecast				
Chemicals	15.3	22.0	37.3	19.4	15.6	35.0	(2.3)	27.0	8.0	(3.8)
Homes	(0.9)	11.0	10.1	3.6	11.4	15.0	4.9	13.0	2.0	7.7
Health Care	3.3	0.8	4.2	2.6	1.9	4.5	0.3	4.5	—	(0.6)
Fibers	1.2	1.1	2.3	1.4	0.6	2.0	(0.3)	1.5	0.5	(0.9)
Electronics	5.2	5.5	10.7	4.8	2.7	7.5	(3.2)	7.5	—	(2.1)
Construction Materials	0.3	0.8	1.1	0.2	0.8	1.0	(0.1)	1.5	(0.5)	0.5
Others	0.3	0.5	0.8	0.4	0.6	1.0	0.2	1.0	—	0.2
Corporate Expenses and Eliminations	(2.0)	(1.0)	(3.0)	(2.2)	(3.3)	(5.5)	(2.5)	(5.5)	—	(1.0)
Consolidated	22.8	40.7	63.5	30.2	30.3	60.5	(3.0)	50.5	10.0	0.0

Appendix

Extraordinary income and loss

(¥ billion)

	Q1 2010	Q1 2011	Increase (decrease)
Total extraordinary income	—	—	—
Extraordinary loss			
Loss on valuation of investment securities	0.1	0.0	(0.1)
Loss on disposal of noncurrent assets	1.1	0.5	(0.5)
Impairment loss	0.0	0.0	0.0
Environmental expenses	0.6	—	(0.6)
Loss on adjustment for changes of accounting for asset retirement obligations	1.2	—	(1.2)
Loss on disaster	—	0.6	0.6
Business structure improvement expenses	3.9*	0.6	(3.3)
Total extraordinary loss	6.9	1.8	(5.1)
Net extraordinary income (loss)	(6.9)	(1.8)	5.1

* Mainly expenses related to closure of ammonia and benzene plants.

Quarterly sales by segment

Asahi**KASEI**

(¥ billion)

	FY2009				FY2010				FY2011	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Chemicals	132.9	160.3	159.0	169.8	178.4	186.6	189.9	187.4	186.0	203.0
Homes	58.5	99.2	96.0	136.0	64.5	109.0	90.5	145.2	79.2	112.8
Health Care	28.5	27.8	29.6	27.3	28.7	29.0	30.5	28.1	29.4	30.6
Fibers	22.4	26.3	25.9	26.6	26.5	28.1	27.1	27.1	27.7	27.3
Electronics	31.5	37.0	37.4	36.8	40.9	42.2	38.4	36.7	39.8	41.2
Construction Materials	11.6	13.0	12.4	10.1	11.0	12.4	13.7	10.3	10.1	13.9
Others*	3.9	5.7	3.8	4.3	3.5	3.9	3.7	4.9	4.0	5.0
Total	289.3	369.3	364.1	410.9	353.5	411.3	393.9	439.6	376.1	433.9

* Others category replaces the former Services, Engineering and Others segment from the first quarter of fiscal 2010.

Quarterly operating income by segment

Asahi**KASEI**

(¥ billion)

	FY2009				FY2010				FY2011	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2 forecast
Chemicals	2.2	9.3	10.3	4.2	15.3	22.0	16.6	10.5	19.4	15.6
Homes	(3.0)	7.1	6.7	14.5	(0.9)	11.0	7.9	18.5	3.6	11.4
Health Care	3.1	0.3	2.9	(2.3)	3.3	0.8	3.5	(0.6)	2.6	1.9
Fibers	(1.5)	(1.4)	(0.0)	0.1	1.2	1.1	1.3	0.6	1.4	0.6
Electronics	(0.6)	3.4	2.6	1.8	5.2	5.5	3.2	0.4	4.8	2.7
Construction Materials	(0.0)	0.6	1.1	(0.5)	0.3	0.8	1.3	(0.3)	0.2	0.8
Others*	0.4	0.6	0.1	0.7	0.3	0.5	0.2	0.7	0.4	0.6
Corporate Expenses and Eliminations	(1.0)	(1.7)	(1.7)	(0.9)	(2.0)	(1.0)	(2.8)	(1.4)	(2.2)	(3.3)
Total	(0.3)	18.3	22.0	17.7	22.8	40.7	31.0	28.4	30.2	30.3

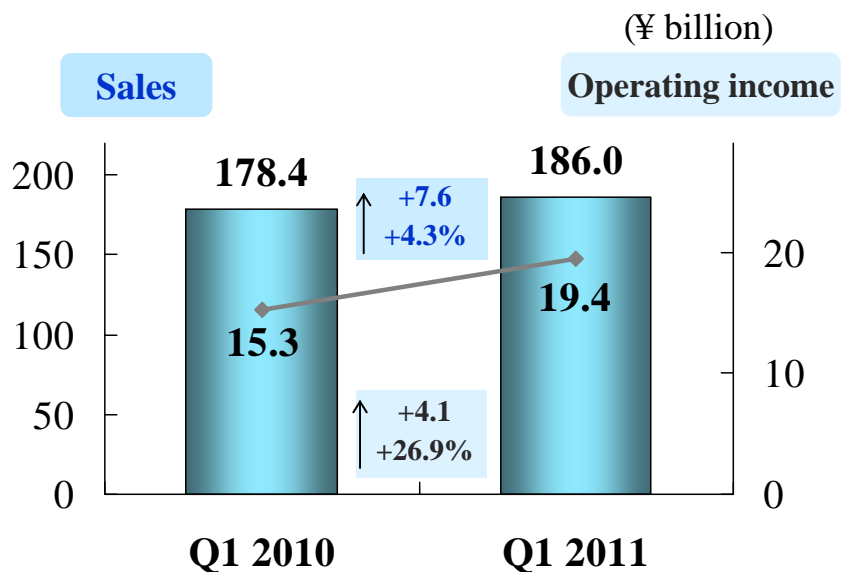
* Others category replaces the former Services, Engineering and Others segment from the first quarter of fiscal 2010. Operating expenses of one consolidated subsidiary previously included in Services, Engineering and Others are included in corporate expenses and eliminations (no impact on sales, immaterial impact on operating income).

Statements of comprehensive income

Asahi**KASEI**

(¥ billion)

	FY 2010 Q1	FY 2011 Q1	Increase (decrease)
a: Income before minority interests	9.7	19.7	10.0
Valuation difference on available-for-sale securities	(8.2)	3.2	11.4
Deferred gains or losses on hedges	0.1	0.1	0.0
Foreign currency translation adjustment	0.7	2.8	2.1
Share of other comprehensive income of associates accounted for using equity method	(0.2)	0.6	0.9
b: Other comprehensive income	(7.6)	6.7	14.3
Comprehensive income [a+b]	2.1	26.4	24.3
Comprehensive income attributable to owners of the parent	1.7	26.1	24.4
Comprehensive income attributable to minority interests	0.4	0.3	(0.0)



Review of operations

Sales and operating income increase.

Volume products:

Chemicals and derivative products: High market prices, especially for acrylonitrile (AN), buoyed by favorable demand in Asia.

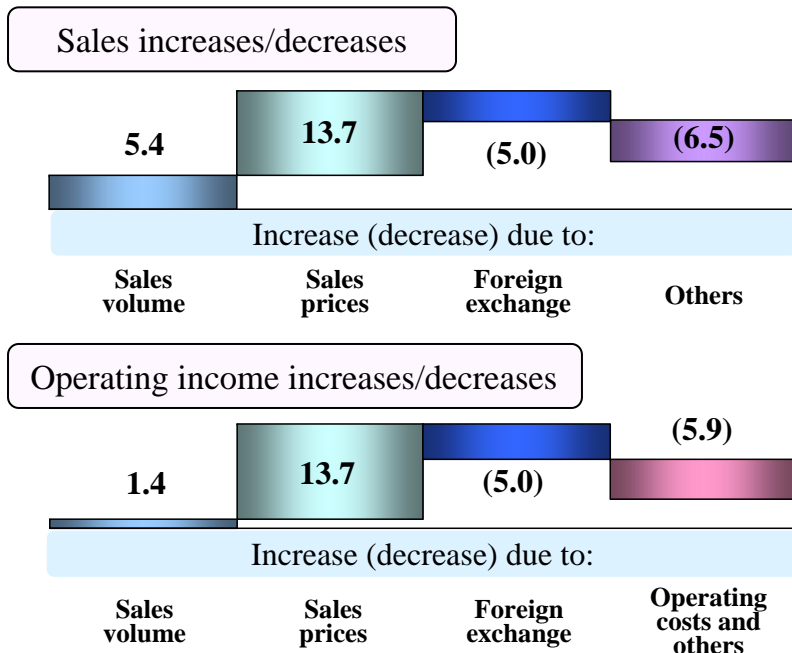
Polymer products: Good performance in synthetic rubber for tires thanks to robust demand in Asia, but decreased shipments of engineering plastics for domestic automotive applications due to impact of the Great East Japan Earthquake.

Specialty products:

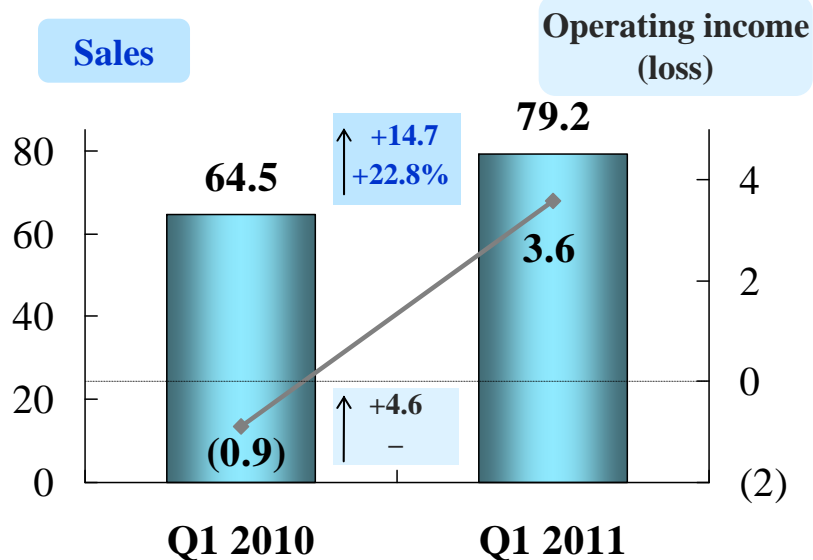
Increased shipments of ion-exchange membranes. Good performance in home-use products such as Saran Wrap™ and in functional additives for pharmaceuticals.

Highlights

- April, decision to establish joint venture with Saudi Basic Industries Corp. and Mitsubishi Corp. to study an acrylonitrile project in Saudi Arabia.



(¥ billion)



Review of operations

Sales and operating income increase. Increased deliveries of both Hebel Haus™ unit homes and Hebel Maison™ apartment buildings in order-built homes operations. Increased deliveries of condominiums in pre-built homes operations. Good performance in housing-related operations.

Market launch of new products. Effect of government policy to support home purchases. Value of new orders 5.9% higher than in the first quarter a year ago.

Results by product category*

	Q1 2010		Q1 2011		Increase (decrease)	
	Sales	Operating income (loss)	Sales	Operating income (loss)	Sales	Operating income (loss)
Order-built homes	40.8	/	51.0	/	10.2	/
Pre-built homes	4.6	/	8.1	/	3.6	/
Others	0.4	/	0.7	/	0.3	/
Total homes	45.8	(2.2)	59.9	2.3	14.0	4.5
Housing-related	18.7	1.2	19.3	1.3	0.7	0.1
Total	64.5	(0.9)	79.2	3.6	14.7	4.6

Highlights

- April, launch of Hebel Haus™ Soranoma Plus featuring semi-outdoor space integrated with second-story living room.
- June, launch of Hebel Maison™ apartment buildings with features for living with pets.

* Product category division unaudited, simplified calculation.

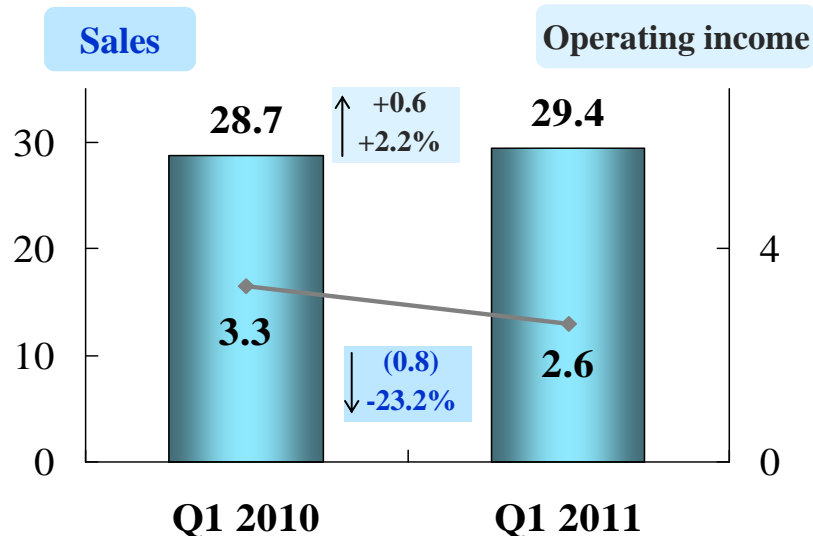
Homes – sales and order trends

(¥ 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*	Non-consolidated	Consolidated subsidiaries	Consolidated	Order backlog
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	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%)	326.6
	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	H1	154.6 (-1.6%)	115.8 (-10.5%)	5.2 (-12.6%)	0.8	121.9 (-10.4%)	35.8 (+4.4%)	157.7 (-7.4%)	321.3
	H2	152.3 (+13.7%)	166.5 (-6.4%)	26.9 (+12.4%)	1.1	194.5 (-4.1%)	37.5 (+1.7%)	232.0 (-3.2%)	307.1
	annual	306.9 (+5.4%)	282.3 (-8.1%)	32.1 (+7.4%)	1.9	316.4 (-6.6%)	73.4 (+3.0%)	389.7 (-4.9%)	
FY10	Q1	89.3 (+16.9%)	40.8 (+7.7%)	4.6 (+78.1%)	0.4	45.8 (+12.3%)	18.7 (+5.6%)	64.5 (+10.3%)	355.7
	Q2	92.4 (+18.2%)	84.7 (+8.6%)	4.8 (+81.5%)	0.6	90.1 (+11.2%)	18.9 (+4.2%)	109.0 (+9.9%)	363.4
	H1	181.7 (+17.6%)	125.5 (+8.3%)	9.4 (+79.8%)	1.1	136.0 (+11.6%)	37.5 (+4.8%)	173.5 (+10.0%)	
	H2	172.8 (+13.4%)	176.6 (+6.1%)	18.4 (-31.7%)	1.5	196.5 (+1.0%)	39.2 (+4.5%)	235.7 (+1.6%)	359.5
	annual	354.5 (+15.5%)	302.1 (+7.0%)	27.8 (-13.6%)	2.5	332.4 (+5.1%)	76.8 (+4.6%)	409.2 (+5.0%)	
FY11	Q1	94.6 (+5.9%)	51.0 (+25.0%)	8.1 (+77.9%)	0.7	59.9 (+30.6%)	19.3 (+3.5%)	79.2 (+22.8%)	403.1
	Q2 forecast	91.4 (-1.1%)	87.5 (+3.3%)	3.9 (-19.3%)	0.3	91.6 (+1.7%)	21.2 (+12.2%)	112.8 (+3.5%)	407.0
	H1 forecast	186.0 (+2.3%)	138.5 (+10.4%)	12.0 (+28.2%)	1.0	151.5 (+11.5%)	40.5 (+7.9%)	192.0 (+10.7%)	

* Including commissions on property insurance.

(¥ billion)



Review of operations

Sales increase, but operating income decrease.

Pharmaceuticals:

Steady increase in shipments of Recomedulin™ recombinant thrombomodulin. Increased R&D expenditure.

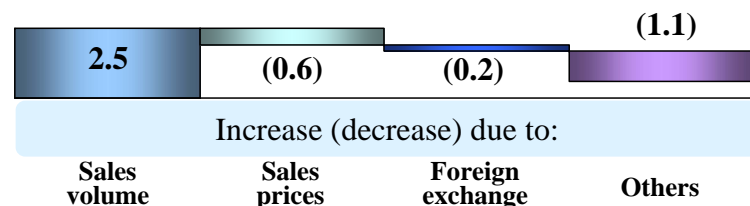
Devices:

Substantial increase in shipments of Planova™ virus removal filters. Impact of the strong yen on performance in each product category.

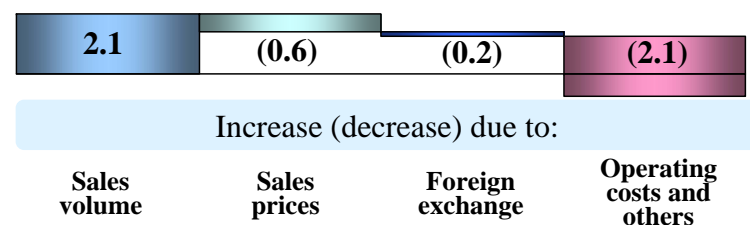
Highlights

- May, Dong-A Pharmaceutical Co., Ltd., Asahi Kasei Pharma's licensing partner in Korea, obtained approval for the sale of Flivas™ in Korea as an agent for the treatment of benign prostatic hyperplasia.

Sales increases/decreases



Operating income increases/decreases



Sales of Health Care segment

(¥ billion)

		FY 2010		FY 2011
		Q1	H1	Q1
	Pharmaceuticals	13.5	26.9	14.3
	Others	1.9	3.6	0.8
Asahi Kasei Pharma consolidated		15.4	30.5	15.1
Devices*		13.4	27.3	14.3
Total		28.7	57.8	29.4

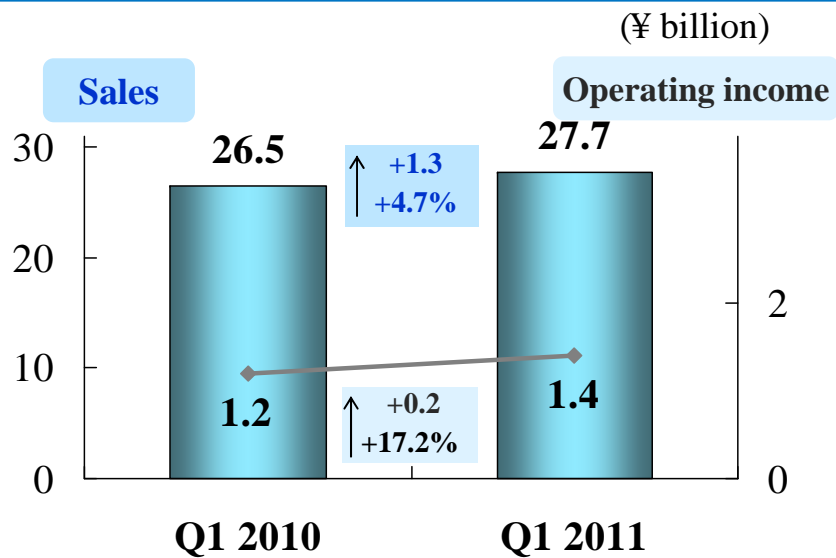
* Asahi Kasei Kuraray Medical, Asahi Kasei Medical, and their affiliate companies.

Main pharmaceuticals domestic sales

(¥ billion)

	FY 2010		FY 2011
	Q1	H1	Q1
Flivas™	3.5	6.8	3.5
Elcitonin™	3.4	6.9	3.2
Bredinin™	1.7	3.3	1.6
Recomodulin™	0.7	1.6	1.5
Toledomin™	0.9	1.9	0.8
Eril™	0.4	0.7	0.3

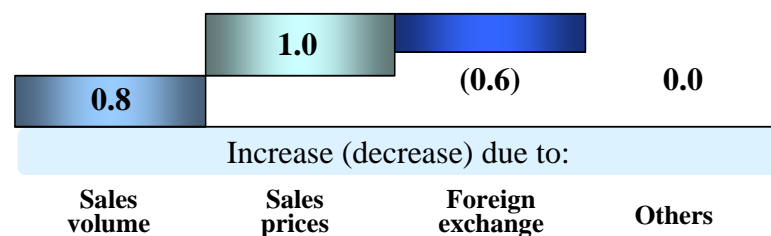
Development stage	Code name, form, generic name	Classifications	Indication	Remarks	Origin
Pending approval	MN-10-T, injection, teriparatide acetate	Synthetic human parathyroid hormone (PTH)	Osteoporosis	New chemical entity	In-house
Phase III	AK-120, oral, famciclovir	Antiviral	Herpes simplex	Additional indication	Licensed
Phase II	AT-877, oral, fasudil hydrochloride hydrate	Rho-kinase inhibitor	Pulmonary arterial hypertension	Additional indication, new dosage form	In-house
	AK150, injection, pentosan polysulfate sodium	Anti-osteoarthritic	Osteoarthritis	New chemical entity	Licensed
Phase II (overseas)	ART-123, injection, recombinant thrombomodulin alpha	Recombinant human thrombomodulin	Sepsis with disseminated intravascular coagulation	New biologic	In-house
	AK106	Anti-inflammatory	Rheumatoid arthritis	New chemical entity	In-house



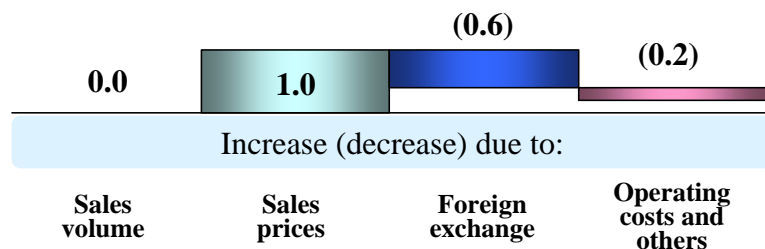
Review of operations

Increased sales and operating income. Impact of the strong yen and high feedstock costs throughout the segment. Increased shipments of nonwovens including spunbond. Good performance in Bemberg™ regenerated cellulose, Leona™ nylon 66 filament, and Roica™ elastic polyurethane filament.

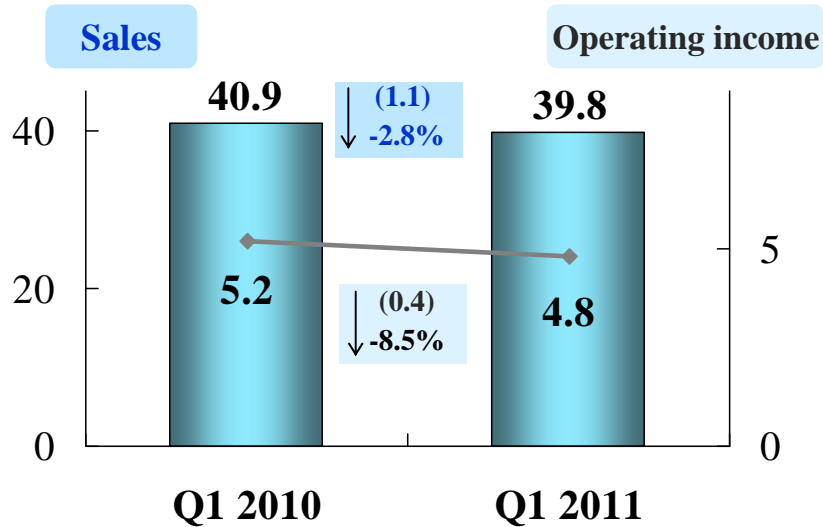
Sales increases/decreases



Operating income increases/decreases



(¥ billion)



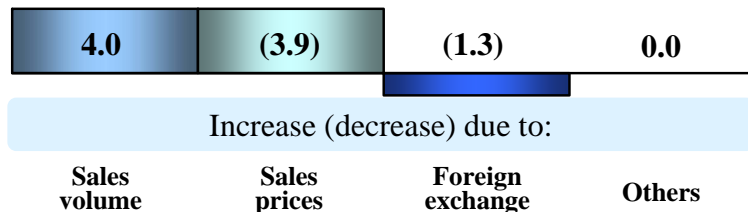
Review of operations

Sales and operating income decrease.

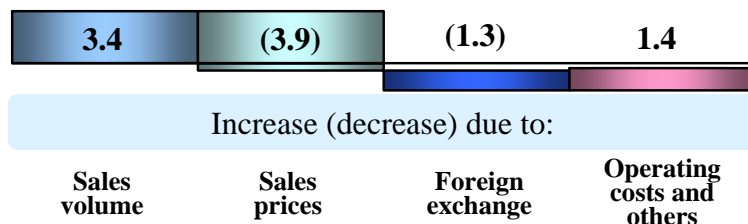
Electronic devices: Steady increase in shipments, especially of mixed-signal LSIs for smartphones. Impact of lower product prices and the strong yen.

Electronic materials: Increased shipments of Hipore™ Li-ion battery separator. Impact of lower product prices and high feedstock costs.

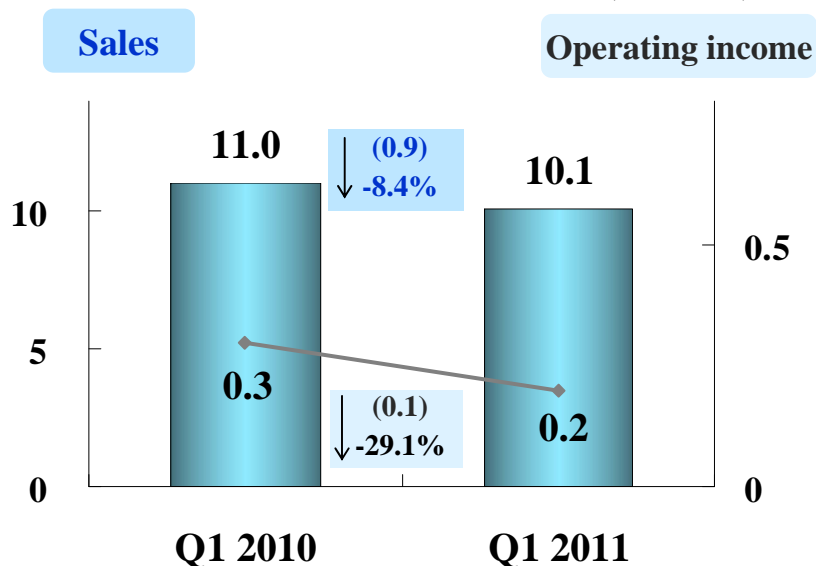
Sales increases/decreases



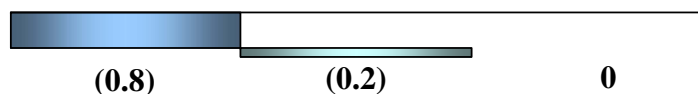
Operating income increases/decreases



(¥ billion)



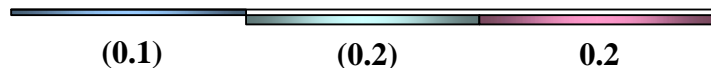
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Operating costs and others

Review of operations

Decreased sales and operating income. Good performance in structural material operations. Temporary suspension of operation due to the Great East Japan Earthquake at the Neoma Foam Plant, which manufactures phenolic foam insulation panels, and the Sakai Plant, which manufactures Hebel™ autoclaved aerated concrete panels, both in Ibaraki Prefecture. Foundation systems operations in particular impacted by suspension or postponement of work on many construction projects.

– 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.