

First Half 2012 Financial Results

I. First Half 2012 Results

1. Summary

(Unit: billions of yen, except for stockholders' equity/share and net income/share)

Items	1st half, 2011 (Jan.-Jun.)	1st half, 2012 (Jan.-Jun.)	Increase
Net Sales	416.5	352.3	-64.2
Operating Income	22.1	16.0	-6.1
Net Income	7.8	7.9	0.1
Net Income per share	¥5.22	¥5.27	¥0.05
Net Assets per share	¥163.61	¥172.01	¥8.40

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		1st half, 2011 (Jan.- Jun.)	1st half, 2012 (Jan.- Jun.)	Increase	CQ1, 2012 (Jan. - Mar.)	CQ2, 2012 (Apr.-Jun.)
Petrochemicals	Net Sales	127.0	72.6	-54.5	47.1	25.5
	Operating Income	4.1	-2.2	-6.3	0.1	-2.3
Chemicals	Net Sales	66.3	62.7	-3.6	30.6	32.1
	Operating Income	2.8	-0.2	-3.1	0.6	-0.8
Electronics	Net Sales	68.6	85.4	16.8	41.5	44.0
	Operating Income	7.5	17.9	10.3	8.7	9.1
Inorganics	Net Sales	40.0	32.9	-7.1	16.1	16.8
	Operating Income	5.6	2.3	-3.3	1.5	0.8
Aluminum	Net Sales	61.7	47.6	-14.2	21.5	26.1
	Operating Income	3.6	1.1	-2.5	-0.2	1.4
Others	Net Sales	76.6	68.8	-7.8	33.6	35.2
	Operating Income	1.5	0.2	-1.3	0.2	0.1
Adjustment	Net Sales	-23.8	-17.7	6.1	-9.0	-8.7
	Operating Income	-3.1	-3.2	-0.1	-1.3	-1.9
Total	Net Sales	416.5	352.3	-64.2	181.4	171.0
	Operating Income	22.1	16.0	-6.1	9.5	6.5

3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	1st half, 2011 (Jan.- Jun.)	1st half, 2012 (Jan.- Jun.)	Increase
Operating Activities	13.9	2.5	-11.4
Investing Activities	-19.2	-19.6	-0.5
Free Cash Flow	-5.3	-17.2	-11.9
Financing Activities	-1.4	3.3	4.7
Other	0.0	1.0	1.0
Net increase in Cash	-6.6	-12.8	-6.2

4. Reference (Consolidated)

(Unit: billions of yen)

Items	1st half, 2011 (Jan.- Jun.)	1st half, 2012 (Jan.- Jun.)	Increase
Capital expenditures	19.6	20.7	1.1
Depreciation and amortization	24.7	23.1	-1.5
R&D expenditures	11.0	10.2	-0.8
Total assets	927.4	932.2	4.8
Interest bearing debt	359.3	361.4	2.1
Gap between interest/dividend income and interest expense	-2.1	-1.8	0.3
Total number of employees	11,790	9,905	-1,885
Exchange rate (yen/US\$)	82	80	Yen strengthened by 2/\$
Domestic naphtha price (yen/kl)	55,750	57,350	1,600

II. Forecast for 20121. Summary

(Unit: billions of yen, except for net income/share and cash dividends/share)

Items	2011	2012 Forecast	Increase
Net Sales	854.2	790.0	-64.2
Operating Income	47.4	42.0	-5.4
Net Income	17.0	18.0	1.0
Net income per share	¥11.35	¥12.03	¥0.68
Cash dividends per share	¥3.00	¥3.00(planned)	-

(Note) 2012 forecast was revised on Aug. 1, 2012.

2. Net sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2011	2012 Forecast	Increase
Petrochemicals	Net Sales	250.4	195.0	-55.4
	Operating Income	3.5	0.0	-3.5
Chemicals	Net Sales	130.2	135.0	4.8
	Operating Income	2.0	2.5	0.5
Electronics	Net Sales	165.0	175.0	10.0
	Operating Income	30.2	33.5	3.3
Inorganics	Net Sales	77.6	75.0	-2.6
	Operating Income	9.6	7.5	-2.1
Aluminum	Net Sales	124.3	100.0	-24.3
	Operating Income	6.2	4.0	-2.2
Others	Net Sales	150.6	145.0	-5.6
	Operating Income	1.9	1.0	-0.9
Adjustment	Net Sales	-43.9	-35.0	8.9
	Operating Income	-6.1	-6.5	-0.4
Total	Net Sales	854.2	790.0	-64.2
	Operating Income	47.4	42.0	-5.4

(Note) 2012 forecast was revised on Aug. 1, 2012.

III. Reference

(Unit: billions of yen, except for total number of employees, exchange rate and domestic naphtha price)

Items	2011	2012 Forecast	Increase
Capital expenditures	38.8	50.3	11.5
Depreciation and amortization	49.4	47.0	-2.4
R & D expenditures	21.6	21.2	-0.4
Interest-bearing debt	347.3	350.0	2.7
Gap between interest / dividend income and	-4.3	-3.9	0.4
Total number of employees	11,542	10,087	-1,455
Exchange rate (yen/US\$)	(1st half) 82	(1st half) 80	(1st half) -2
	(2nd half) 78	(2nd half) 80	(2nd half) 2
Domestic naphtha price (yen/kl)	(1st half) 55,750	(1st half) 57,350	(1st half) 1,600
	(2nd half) 53,300	(2nd half) 52,400	(2nd half) -900

The performance forecast for 2012 is based on the economic conditions and the Company's business policy at this point of time. Please note that actual results may differ materially from the forecast due to a variety of factors, including changes in the market conditions.