

First Half, 2013 Consolidated Financial Results (Summary)

I. First Half 2013 Results

1. Summary

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

Items	1st half, 2012 (Jan.-Jun.)	1st half, 2013 (Jan.-Jun.)	Increase
Net Sales	352.3	401.4	49.1
Operating Income	16.0	6.7	-9.3
Net Income	7.9	2.2	-5.7
Net Income per share	¥5.27	¥1.44	¥-3.83
Net Assets per share	¥172.01	¥191.45	¥19.44

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		1st half, 2012 (Jan.- Jun.)	1st half, 2013 (Jan.- Jun.)	Increase	CQ1, 2013 (Jan. - Mar.)	CQ2, 2013 (Apr.-Jun.)
Petrochemicals	Net Sales	72.6	135.4	62.8	65.9	69.5
	Operating Income	-2.2	0.0	2.1	0.9	-1.0
Chemicals	Net Sales	62.7	61.9	-0.8	29.7	32.2
	Operating Income	-0.2	0.6	0.8	0.8	-0.2
Electronics	Net Sales	85.4	66.2	-19.2	32.0	34.2
	Operating Income	17.9	8.4	-9.5	2.5	5.8
Inorganics	Net Sales	32.9	31.0	-1.9	15.5	15.5
	Operating Income	2.3	-0.6	-3.0	-0.1	-0.6
Aluminum	Net Sales	47.6	43.7	-3.9	19.1	24.5
	Operating Income	1.1	2.9	1.8	1.0	1.9
Others	Net Sales	68.8	82.3	13.5	39.1	43.2
	Operating Income	0.2	-0.9	-1.1	-0.3	-0.6
Adjustment	Net Sales	-17.7	-19.1	-1.4	-8.9	-10.2
	Operating Income	-3.2	-3.5	-0.4	-1.5	-2.0
Total	Net Sales	352.3	401.4	49.1	192.5	208.9
	Operating Income	16.0	6.7	-9.3	3.4	3.3

3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	1st half, 2012 (Jan.- Jun.)	1st half, 2013 (Jan.- Jun.)	Increase
Operating Activities	2.5	17.1	14.6
Investing Activities	-19.6	-27.3	-7.7
Free Cash Flow	-17.2	-10.3	6.9
Financing Activities	3.3	8.2	4.8
Other	1.0	3.2	2.2
Net increase in Cash	-12.8	1.1	13.9

4. Reference (Consolidated)

(Unit: billions of yen)

Items	1st half, 2012 (Jan.- Jun.)	1st half, 2013 (Jan.- Jun.)	Increase
Capital expenditures	20.7	20.0	-0.7
Depreciation and amortization	23.1	20.3	-2.8
R&D expenditures	10.2	10.0	-0.2
Total assets	932.2	967.1	34.9
Interest bearing debt	361.4	365.3	3.9
Gap between interest/dividend income and interest expense	-1.8	-1.3	0.5
Total number of employees	9,905	10,397	492
Exchange rate (yen/US\$)	80	96	Yen depreciated by 16/\$
Domestic naphtha price (yen/kl)	57,300	64,650	7,350

II. Forecast for 20131. Summary

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

Items	2012	2013 Revised forecast	Increase
Net Sales	739.8	850.0	110.2
Operating Income	28.1	26.0	-2.1
Net Income	9.4	10.0	0.6
Net income per share	¥6.26	¥6.68	¥0.42
Cash dividends per share	¥3.00	¥3.00 (planned)	-

(Note) 2013 forecast was revised on Jul. 29, 2013.

2. Net sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2012	2013 Revised forecast	Increase
Petrochemicals	Net Sales	190.9	270.0	79.1
	Operating Income	-1.0	1.5	2.5
Chemicals	Net Sales	127.4	136.0	8.6
	Operating Income	-0.9	4.0	4.9
Electronics	Net Sales	163.3	148.0	-15.3
	Operating Income	32.3	22.5	-9.8
Inorganics	Net Sales	65.6	71.0	5.4
	Operating Income	3.0	0.0	-3.0
Aluminum	Net Sales	92.2	98.0	5.8
	Operating Income	1.6	6.0	4.4
Others	Net Sales	135.3	170.0	34.7
	Operating Income	0.1	-0.5	-0.6
Adjustment	Net Sales	-34.9	-43.0	-8.1
	Operating Income	-7.0	-7.5	-0.5
Total	Net Sales	739.8	850.0	110.2
	Operating Income	28.1	26.0	-2.1

III. Reference

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

Items	2012	2013 Revised forecast	Increase
Capital expenditures	42.5	54.6	12.1
Depreciation and amortization	46.2	40.1	-6.1
R & D expenditures	20.6	20.4	-0.2
Interest-bearing debt	342.3	360.0	17.7
Gap between interest / dividend income and interest expense	-3.5	-3.1	0.4
Total number of employees	9,890	10,607	717
Exchange rate (yen/US\$)	(1st half) 80	(1st half) 96	(1st half) 16
	(2nd half) 80	(2nd half) 98	(2nd half) 18
Domestic naphtha price (yen/kl)	(1st half) 57,300	(1st half) 64,650	(1st half) 7,350
	(2nd half) 52,800	(2nd half) 60,700	(2nd half) 7,900

Note : The above forecast is based on the information available as of today and assumptions as of today regarding risk factors that could affect our future performance. Actual results may differ materially from the forecast due to a variety of risk factors, including, but not limited to, the economic conditions, costs of naphtha and other raw materials, demand for our products, market conditions, and foreign exchange rates.