

First Half, 2015 Consolidated Financial Results (Summary)

I . First Half 2015 Results

1. Summary

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

Items	1st half, 2014 (Jan.-Jun.)	1st half, 2015 (Jan.-Jun.)	Increase/ decrease
Net Sales	413.4	397.0	-16.4
Operating Income	10.5	16.1	5.6
Net Income	-3.4	1.3	4.7
Net Income per share	¥-2.30	¥0.90	¥3.20
Stockholders' equity per share	¥194.01	¥219.18	¥25.17

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		1st half, 2014 (Jan.-Jun.)	1st half, 2015 (Jan.-Jun.)	Increase/ decrease	CQ1, 2015 (Jan. - Mar.)	CQ2, 2015 (Apr. - Jun.)
Net Sales	Petrochemicals	119.7	121.2	1.5	57.1	64.1
	Chemicals	67.3	70.2	2.9	34.8	35.5
	Electronics	69.5	65.0	-4.5	33.0	32.0
	Inorganics	33.3	33.1	-0.3	15.7	17.4
	Aluminum	45.8	50.0	4.2	23.1	26.9
	Others	99.1	79.4	-19.7	40.6	38.8
	Adjustments	-21.5	-22.0	-0.6	-11.1	-11.0
	Total	413.4	397.0	-16.4	193.2	203.8
Operating Income	Petrochemicals	-1.9	6.0	7.9	-1.7	7.7
	Chemicals	1.4	4.3	2.9	2.1	2.1
	Electronics	13.2	8.0	-5.2	5.4	2.6
	Inorganics	-0.8	0.0	0.7	-0.3	0.3
	Aluminum	1.8	1.4	-0.4	0.2	1.2
	Others	0.3	0.2	-0.1	0.1	0.1
	Adjustments	-3.5	-3.7	-0.2	-1.9	-1.8
	Total	10.5	16.1	5.6	3.9	12.3

3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	1st half, 2014 (Jan.-Jun.)	1st half, 2015 (Jan.-Jun.)	Increase/ decrease
Operating Activities	11.3	21.3	10.0
Investing Activities	-30.6	-18.3	12.3
Free Cash Flow	-19.3	3.1	22.4
Financing Activities	6.2	-7.6	-13.7
Other	-1.5	2.1	3.5
Net increase in Cash	-14.6	-2.5	12.1

4. Reference (Consolidated)

(Unit: billions of yen)

Items	1st half, 2014 (Jan.-Jun.)	1st half, 2015 (Jan.-Jun.)	Increase/ decrease
Capital expenditures	25.1	20.3	-4.9
Depreciation and amortization	19.7	21.0	1.3
R&D expenditures	9.8	10.3	0.5
Total assets	966.5	975.6	9.1
Interest bearing debt	397.4	384.7	-12.7
Gap between interest/dividend income and interest expense	-1.0	-0.8	0.2
Total number of employees	10,458	10,746	288
Exchange rate (yen/US\$)	102.5	120.2	Yen depreciated by 17.8/S
Domestic naphtha price (yen/kl)	70,950	47,800	-23,150

II. Forecast for 2015

1. Summary

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

Items	2014	2015 Revised forecast	Increase/ decrease
Net Sales	876.6	825.0	-51.6
Operating Income	20.9	40.0	19.1
Net Income	3.5	10.0	6.5
Net income per share	¥2.38	¥7.00	¥4.62
Cash dividends per share	¥3.00	(planned) ¥3.00	-

(Note) 2015 forecast was revised on Jul. 30, 2015.

2. Net sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2014	2015 Revised forecast	Increase/ decrease
Net Sales	Petrochemicals	281.4	248.0	-33.4
	Chemicals	139.1	145.0	5.9
	Electronics	138.5	138.0	-0.5
	Inorganics	67.6	72.0	4.4
	Aluminum	98.0	105.0	7.0
	Others	195.0	162.0	-33.0
	Adjustments	-43.0	-45.0	-2.0
	Total	876.6	825.0	-51.6
Operating Income	Petrochemicals	-4.9	13.0	17.9
	Chemicals	5.5	10.5	5.0
	Electronics	25.8	19.5	-6.3
	Inorganics	-0.3	1.5	1.8
	Aluminum	3.0	3.0	0.0
	Others	-0.7	0.5	1.2
	Adjustments	-7.4	-8.0	-0.6
	Total	20.9	40.0	19.1

III. Reference

Items	2013	2014 Revised forecast	Increase/ decrease
Capital expenditures	47.3	51.3	3.9
Depreciation and amortization	40.7	42.4	1.7
R & D expenditures	20.4	20.9	0.6
Interest-bearing debt	383.1	380.0	-3.1
Gap between interest / dividend income and interest expense	-0.8	-2.4	-1.6
Total number of employees	10,577	10,903	326
Exchange rate (yen/US\$)	(1st half) 102.5 (2nd half) 109.2	(1st half) 120.2 (2nd half) 120.0	(1st half) 17.8 (2nd half) 10.8
Domestic naphtha price (yen/kl)	(1st half) 70,950 (2nd half) 68,450	(1st half) 47,800 (2nd half) 50,900	(1st half) -23,150 (2nd half) -17,550

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. We undertake no obligation to update the forward-looking statements unless required by law.