

2006 Financial Results (Summary)

I. Results for 2006

1. Summary

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

Items	2006		2005		Increase	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Net Sales	914.5	634.7	811.9	568.1	102.6	66.6
Operating Income	68.7	39.6	57.2	36.0	11.5	3.6
Net Income	28.8	18.8	15.6	1.0	13.2	17.8
Stockholders' equity per	¥200.29	¥185.17	¥180.96	¥176.21	¥19.33	¥8.96
Net Income per share	¥25.01	¥16.30	¥13.70	¥0.84	¥11.31	¥15.46
Cash dividends per share		¥4.00		¥3.00		¥1.00

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2006		2005		Increase	
		Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Petrochemicals	Net Sales	335.4	245.3	301.2	220.1	34.2	25.2
	Operating Income	16.4	13.5	21.8	19.2	-5.5	-5.7
Chemicals	Net Sales	79.2	66.4	74.0	58.9	5.2	7.4
	Operating Income	5.1	4.7	4.7	3.6	0.4	1.1
Electronics	Net Sales	165.5	105.1	133.9	91.6	31.6	13.5
	Operating Income	28.6	10.9	19.7	8.4	8.9	2.5
Inorganics	Net Sales	74.3	49.1	61.9	42.4	12.4	6.7
	Operating Income	16.1	8.3	8.3	5.1	7.8	3.2
Aluminum	Net Sales	260.1	168.8	240.9	155.0	19.2	13.8
	Operating Income	6.5	5.9	8.3	5.6	-1.8	0.3
HQ costs and other	Net Sales	0	0	0	0	0	0
	Operating Income	-3.9	-3.7	-5.7	-5.9	1.8	2.2
Total	Net Sales	914.5	634.7	811.9	568.1	102.6	66.6
	Operating Income	68.7	39.6	57.2	36.0	11.5	3.6

3. Reference (Consolidated)

(Unit: billions of yen)

Items	2006	2005	Increase
Capital expenditures	90.8	41.2	49.6
Depreciation and amortization	38.0	34.2	3.8
R&D expenditures	19.5	17.4	2.1
Total assets	1,037.8	986.2	51.6
Interest bearing debt	433.2	448.8	-15.7
Gap between interest/dividend income and interest expense	-5.7	-6.8	11.0
Total number of employees	11,184	11,118	66
Exchange rate (yen/US\$)	116	110	Depreciates by 6 yen
Domestic naphtha price (yen/kl)	49,300	39,100	10,200

3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	2006	2005	Increase
Operating Activities	91.4	78.0	13.4
Investing Activities	-55.9	-18.0	-38.0
Free Cash Flow	35.5	60.0	-24.5
Financing Activities	-18.0	-53.4	35.4
Newly Consolidated	0.5	1.5	-1.1
Net increase in Cash	17.9	8.1	9.8

II. Forecast for 2007

1. Summary

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

Items	2007 Forecast		2006		Increase	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Net Sales	960.0	660.0	914.5	634.7	45.5	25.3
Operating Income	73.0	44.5	68.7	39.6	4.3	4.9
Net Income	31.5	20.5	28.8	18.8	2.7	1.7
Net Income per share	¥26.80	¥17.44	¥25.01	¥16.30	¥1.79	¥1.14
Cash dividends per share		¥4.00		¥4.00		¥0.00

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2007 Forecast		2006		Increase	
		Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Petrochemicals	Net Sales	340.0	260.0	335.4	245.3	4.6	14.7
	Operating Income	17.0	14.5	16.4	13.5	0.6	1.0
Chemicals	Net Sales	80.0	65.0	79.2	66.4	0.8	-1.4
	Operating Income	6.0	5.0	5.1	4.7	0.9	0.3
Electronics	Net Sales	210.0	115.0	165.5	105.1	44.5	9.9
	Operating Income	30.0	17.0	28.6	10.9	1.4	6.1
Inorganics	Net Sales	80.0	50.0	74.3	49.1	5.7	0.9
	Operating Income	17.0	9.0	16.1	8.3	0.9	0.7
Aluminum	Net Sales	250.0	170.0	260.1	168.8	-10.1	1.2
	Operating Income	9.0	5.0	6.5	5.9	2.5	-0.9
HQ costs and other	Net Sales	0	0	0	0	0	0
	Operating Income	-6.0	-6.0	-3.9	-3.7	-2.1	-2.3
Total	Net Sales	960.0	660.0	914.5	634.7	45.5	25.3
	Operating Income	73.0	44.5	68.7	39.6	4.3	4.9

3. Reference (Consolidated)

(Unit: billions of yen)

Items	2007 Forecast	2006	Increase
Capital expenditures	79.5	90.8	-11.4
Depreciation and amortization	53.0	38.0	14.9
R&D expenditures	18.2	19.5	-1.3
Interest bearing debt	430.0	433.2	-3.2
Gap between interest/dividend income and interest expense	-8.1	-5.7	-2.4
Total number of employees	11,202	11,184	18
Exchange rate (yen/US\$)	115	116	-1
Domestic naphtha price (yen/kl)	46,000	49,300	-3,300

The performance forecast for 2007 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.