

## 2007 Financial Results (Summary)

### I. Results for 2007

#### 1. Summary

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

Items	2006		2007		Increase	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Net Sales	914.5	634.7	1,023.2	709.6	108.7	74.9
Operating Income	68.7	39.6	76.7	48.8	7.9	9.2
Net Income	28.8	18.8	33.1	22.3	4.2	3.5
Stockholders' equity per share	¥200.29	¥185.17	¥222.31	¥201.20	¥22.02	¥16.03
Net Income per share	¥25.01	¥16.30	¥27.52	¥18.55	¥2.51	¥2.25
Cash dividends per share		¥4.00		¥5.00		¥1.00

#### 2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2006		2007		Increase	
		Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Petrochemicals	Net Sales	335.4	245.3	395.1	302.5	59.7	57.2
	Operating Income	16.4	13.5	19.6	16.8	3.2	3.3
Chemicals	Net Sales	79.2	66.4	84.7	69.1	5.5	2.8
	Operating Income	5.1	4.7	7.4	6.8	2.3	2.1
Electronics	Net Sales	165.5	105.1	201.0	112.9	35.5	7.8
	Operating Income	28.6	10.9	25.8	13.0	-2.8	2.1
Inorganics	Net Sales	74.3	49.1	84.6	55.3	10.3	6.2
	Operating Income	16.1	8.3	20.9	12.1	4.8	3.8
Aluminum	Net Sales	260.1	168.8	257.8	169.8	-2.3	1.0
	Operating Income	6.5	5.9	8.0	5.3	1.6	-0.6
HQ costs and other	Net Sales	—	—	—	—	—	—
	Operating Income	-3.9	-3.7	-5.1	-5.2	-1.2	-1.5
Total	Net Sales	914.5	634.7	1,023.2	709.6	108.7	74.9
	Operating Income	68.7	39.6	76.7	48.8	7.9	9.2

#### 3. Reference (Consolidated)

(Unit: billions of yen)

Items	2006	2007	Increase
Capital expenditures	90.8	69.3	-21.5
Depreciation and amortization	38.0	49.8	11.7
R&D expenditures	19.5	17.4	-2.1
Total assets	1,037.8	1,029.6	-8.2
Interest bearing debt	433.2	395.6	-37.5
Gap between interest/dividend income and interest expense	-5.7	-6.8	-1.2
Total number of employees	11,184	11,329	145
Exchange rate (yen/US\$)	116.4	117.8	Depreciates by 1.4yen
Domestic naphtha price (yen/kl)	49,300	56,975	7,675

#### 3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	2006	2007	Increase
Operating Activities	91.4	67.3	-24.1
Investing Activities	-55.9	-69.7	-13.7
Free Cash Flow	35.5	-2.3	-37.8
Financing Activities	-18.0	-20.6	-2.5
Newly Consolidated	0.5	-0.3	-0.8
Net increase in Cash	17.9	-23.2	-41.1

## II. Forecast for 2008

### 1. Summary

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

Items	2007		2008Forecast		Increase	
	Consolidated	Parent	Consolidated※	Parent	Consolidated	Parent
Net Sales	1,023.2	709.6	1,110.0	765.0	86.8	55.4
Operating Income	76.7	48.8	79.0	47.5	2.3	-1.3
Net Income	33.1	22.3	35.5	19.5	2.4	-2.8
Net Income per share	¥27.52	¥18.55	¥28.45	¥15.63	¥0.93	¥-2.92
Cash dividends per share		¥5.00		¥6.00		¥1.00

※As to the forecast for 2008, it is assumed that increases in depreciation expenses, following the tax system revision, will cause operating income to decrease 6 billion.

### 2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2007		2008Forecast		Increase	
		Consolidated	Parent	Consolidated※	Parent	Consolidated	Parent
Petrochemicals	Net Sales	395.1	302.5	420.0	330.0	24.9	27.5
	Operating Income	19.6	16.8	15.0	13.0	-4.6	-3.8
Chemicals	Net Sales	84.7	69.1	85.0	75.0	0.3	5.9
	Operating Income	7.4	6.8	7.5	6.5	0.1	-0.3
Electronics	Net Sales	201.0	112.9	265.0	135.0	64.0	22.1
	Operating Income	25.8	13.0	33.0	17.0	7.2	4.0
Inorganics	Net Sales	84.6	55.3	85.0	60.0	0.4	4.7
	Operating Income	20.9	12.1	21.0	12.5	0.1	0.4
Aluminum	Net Sales	257.8	169.8	255.0	165.0	-2.8	-4.8
	Operating Income	8.0	5.3	8.5	4.5	0.5	-0.8
HQ costs and other	Net Sales	0	0	—	—	—	—
	Operating Income	-5.1	-5.2	-6.0	-6.0	-0.9	-0.8
Total	Net Sales	1,023.2	709.6	1,110.0	765.0	86.8	55.4
	Operating Income	76.7	48.8	79.0	47.5	2.3	-1.3

※As to the forecast for 2008, it is assumed that increases in depreciation expenses, following the tax system revision, will cause operating income to decrease 6 billion.

### 3. Reference (Consolidated)

(Unit: billions of yen)

Items	2007	2008Forecast	Increase
Capital expenditures	69.3	82.2	12.8
Depreciation and amortization	49.8	65.6	15.8
R&D expenditures	17.4	21.1	3.7
Interest bearing debt	395.6	400.0	4.4
Gap between interest/dividend income and interest expense	-6.8	-8.4	-1.6
Total number of employees	11,329	11,551	222
Exchange rate (yen/US\$)	118	110	-8
Domestic naphtha price (yen/kl)	56,975	63,000	6,025

The performance forecast for 2008 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.