

## 2004 First Quarter Consolidated Financial Results (Summary)

### 1. Summary

(Unit: billions of yen)

Items	2004 CQ1	2003 CQ1	Increase
Net Sales	168.4	170.3	-1.9
Operating Income	10.1	7.4	2.7
Net Income	4.5	1.3	3.2
Total assets	956.1	997.7	-41.6
Interest bearing debt	543.6	607.5	-63.9
Gap between interest / dividend income and interest expense	-2.4	-2.6	0.2

Reference: Forecast for 2004 2/17/2003

(Unit: billions of yen)

2004 Forecast	2003	Increase
695.0	689.4	5.6
42.0	38.5	3.5
11.5	10.3	1.2
-	939.9	-
519.9	527.4	-7.5
-10.0	-9.5	-0.5

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

(Unit: billions of yen)

Segment		2004 CQ1	2003 CQ1	Increase
Petrochemicals	Net Sales	56.3	59.0	-2.7
	Operating Income	3.4	2.9	0.5
Chemicals	Net Sales	18.9	18.5	0.4
	Operating Income	0.5	1.2	-0.7
Electronics	Net Sales	26.0	21.6	4.4
	Operating Income	3.7	1.6	2.1
Inorganic Materials	Net Sales	12.7	12.8	-0.1
	Operating Income	1.2	0.3	0.9
Aluminum	Net Sales	54.4	58.4	-4.0
	Operating Income	3.0	2.5	0.5
HQ costs and other	Net Sales	0	0	0
	Operating Income	-1.7	-1.2	-0.5
Total	Net Sales	168.4	170.3	-1.9
	Operating Income	10.1	7.4	2.8

Reference: Forecast for 2004 2/17/2003

(Unit: billions of yen)

2004 Forecast	2003	Increase
223.0	235.1	-12.1
11.0	12.0	-1.0
81.0	78.2	2.8
6.5	6.0	0.5
111.0	94.7	16.3
14.0	10.7	3.3
54.0	51.0	3.0
3.5	2.7	0.8
226.0	230.3	-4.3
13.0	11.6	1.4
0	0	0
-6.0	-4.4	-1.6
695.0	689.4	5.6
42.0	38.5	3.5

SHOWA DENKO started disclosure of its quarterly consolidated financial results beginning with the first quarter of 2004. Figures for the year-earlier quarter are shown for reference.

The performance forecast for 2004 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.