

2004 Financial Results (Summary)

I. Results for 2004

1. Summary

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

Items	2004		2003		Increase	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Net Sales	740.7	525.8	689.4	462.0	51.3	63.8
Operating Income	52.1	44.1	38.5	22.9	13.5	21.2
Net Income	7.6	9.6	10.3	5.0	-2.7	4.6
Stockholders' equity per	¥155.53	¥168.83	¥145.96	¥155.92	¥9.57	¥12.91
Net Income per share	¥6.66	¥8.42	¥9.07	¥4.41	¥-2.41	¥4.01
Cash dividends per share		¥3.00		¥2.00		¥1.00

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2004		2003		Increase	
		Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Petrochemicals	Net Sales	254.4	178.1	235.1	142.6	19.2	35.5
	Operating Income	20.1	17.0	12.0	8.0	8.2	9.1
Chemicals	Net Sales	80.2	57.6	78.2	57.5	2.0	0.1
	Operating Income	4.8	3.9	6.0	4.5	-1.1	-0.6
Electronics	Net Sales	112.5	92.9	94.7	72.5	17.7	20.4
	Operating Income	14.9	17.0	10.7	6.9	4.2	10.1
Inorganic Materials	Net Sales	55.3	39.1	51.0	35.9	4.3	3.2
	Operating Income	6.1	4.2	2.7	1.9	3.4	2.3
Aluminum	Net Sales	238.4	158.1	230.3	153.5	8.1	4.6
	Operating Income	12.3	8.4	11.6	6.4	0.7	2.0
HQ costs and other	Net Sales	0.0	0.0	0.0	0.0	0.0	0.0
	Operating Income	-6.2	-6.4	-4.4	-4.7	-1.8	-1.7
Total	Net Sales	740.7	525.8	689.4	462.0	51.3	63.8
	Operating Income	52.1	44.1	38.5	22.9	13.5	21.2

3. Reference (Consolidated)

(Unit: billions of yen)

Items	2004	2003	Increase
Capital expenditures	29.9	40.8	-10.9
Depreciation and amortization	34.1	34.5	-0.4
R&D expenditures	17.6	17.0	0.6
Total assets	943.9	939.9	4.0
Interest bearing debt	502.4	527.4	-25.0
Gap between interest/dividend income and interest expense	-8.6	-9.5	0.8
Total number of employees	11,166	10,623	543
Exchange rate (yen/US\$)	108	116	-8
Domestic naphtha price (yen/kl)	30,800 ^{*note}	25,400	5,400

^{*quick estimation}

3. Cash Flow (Consolidated)

(Unit: billions of yen)

Cash Flows from:	2004	2003	Increase
Operating Activities	59.5	63.6	-4.0
Investing Activities	-12.4	-25.1	12.7
Free Cash Flow	47.1	38.5	8.7
Financing Activities	-45.1	-35.9	-9.2
Newly Consolidated	0.7	0.7	0
Net increase in Cash	2.7	3.2	-0.5

. Forecast for 2005

1. Summary

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

Items	2005 Forecast		2004		Increase	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Net Sales	780.0	543.0	740.7	525.8	39.3	17.2
Operating Income	52.5	32.0	52.1	44.1	0.4	-12.1
Net Income	18.5	10.5	7.6	9.6	10.9	0.9
Net Income per share	¥16.19	¥9.19	¥6.66	¥8.42	¥9.53	¥0.77
Cash dividends per share		¥3.00		¥3.00		¥0.00

2. Net Sales and Operating Income by Segment

(Unit: billions of yen)

Segment		2005 Forecast		2004		Increase	
		Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
Petrochemicals	Net Sales	280.0	198.0	254.4	178.1	25.6	19.9
	Operating Income	15.5	12.0	20.1	17.0	-4.6	-5.0
Chemicals	Net Sales	80.0	56.0	80.2	57.6	-0.2	-1.6
	Operating Income	5.0	3.5	4.8	3.9	0.2	-0.4
Electronics	Net Sales	128.0	95.0	112.5	92.9	15.5	2.1
	Operating Income	18.5	11.5	14.9	17.0	3.6	-5.5
Inorganic materials	Net Sales	56.0	40.0	55.3	39.1	0.7	0.9
	Operating Income	7.5	5.0	6.1	4.2	1.4	0.8
Aluminum	Net Sales	236.0	154.0	238.4	158.1	-2.4	-4.1
	Operating Income	12.5	6.5	12.3	8.4	0.2	-1.9
HQ costs and other	Net Sales	0.0	0.0	0.0	0.0	0.0	0.0
	Operating Income	-6.5	-6.5	-6.2	-6.4	-0.3	-0.1
Total	Net Sales	780.0	543.0	740.7	525.8	39.3	17.2
	Operating Income	52.5	32.0	52.1	44.1	0.4	-12.1

3. Reference (Consolidated)

(Unit: billions of yen)

Items	2005 Forecast	2004	Increase
Capital expenditures	42.3	29.9	12.4
Depreciation and amortization	37.1	34.1	3.0
R&D expenditures	19.1	17.6	1.5
Interest bearing debt	487.0	502.4	-15.4
Gap between interest/dividend income and interest expense	-8.3	-8.6	0.3
Total number of employees	11,122	11,166	-44
Exchange rate (yen/US\$)	105	108	-3
Domestic naphtha price (yen/kl)	36,000	30,800 *note	5,200

*quick estimation

The performance forecast for 2005 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.