



Quarterly Financial Results for the First Quarter, Ended June 2008

July 29, 2008

Name of Listed Company: Kaneka Corporation

Stock Exchange Listings: Tokyo, Osaka, Nagoya (First Sections)

Code Number: 4118

URL <http://www.kaneka.co.jp>

Representative: Name: Kimikazu Sugawara Title: President, Representative Director

Contact Person: Name: Masami Kishine Title: General Manager - Accounting Department Phone: +81-6-6226-5169

Scheduled date for submitting financial statements : August 13, 2008

Note: Figures have been rounded down to the nearest million yen.

1. Consolidated Business Performance for the First Quarter, Ended June 30, 2008 (from April 1, 2008 to June 30, 2008)

(1) Consolidated business performance (cumulative)

(% indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Net income	
	¥million	%	¥million	%	¥million	%	¥million	%
Apr. 2008 – Jun. 2008	124,454	—	5,286	—	6,157	—	3,994	—
Apr. 2007 – Jun. 2007	123,746	7.5	8,609	(10.1)	9,227	(8.0)	5,868	0.7

	Net income per share	Fully diluted net income per share
	¥	¥
Apr. 2008 – Jun. 2008	11.74	11.73
Apr. 2007 – Jun. 2007	17.15	—

Note: Beginning in the fiscal year ending March 31, 2009, the "Accounting Standard for Quarterly Financial Reporting" is employed to prepare financial information. Consequently, percentage changes comparing the quarter under review with the corresponding period of the preceding fiscal year are not indicated.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	¥million	¥million	%	¥
Apr. 2008 – Jun. 2008	462,424	273,566	57.7	784.54
Apr. 2007 – Mar. 2008	452,620	267,598	57.7	767.68

(Reference) Shareholders' equity: ¥266,995 million as of June 30, 2008,
¥261,262 million as of March 31, 2008

2. Dividends

(Record date)	June 30	September 30	December 31	Year-end cash dividend per share	Annual cash dividend per share
	¥	¥	¥	¥	¥
Apr. 2007 – Mar. 2008	—	8.00	—	8.00	16.00
Apr. 2008 – Mar. 2009	—	—	—	—	—
Apr. 2008 – Mar. 2009 (Forecasts)	—	8.00	—	8.00	16.00

Note: Changes in dividend forecast during the quarter under review: No

3. Forecast for consolidated business performance in the term Ending March 31, 2009 (from April 1, 2008 to March 31, 2009)

(Percentage figures represent changes from the corresponding periods of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥million	%	¥million	%	¥million	%	¥million	%	¥
First half	252,000	—	14,000	—	13,500	—	7,500	—	22.04
Full year	520,000	3.4	33,000	(7.7)	31,500	(7.0)	18,000	(4.3)	52.89

Note: Revisions to consolidated business performance forecasts during the quarter under review: No

4. Other

- (1) Changes in principal subsidiaries during the term
(Changes in the scope of consolidation of specific subsidiaries) : No
- (2) Application of simplified methods of accounting and accounting methods specific to the preparation of quarterly consolidated financial statements : Yes
[Note: For details, please refer to the section entitled "Overview of Financial Statements 4.Other" on page 3.]
- (3) Changes in accounting principles, processes, presentation methods, etc., related to the preparation of quarterly consolidated financial statements (significant changes pertaining to the preparation of quarterly consolidated financial statements)
 - 1. Changes owing to revisions in accounting standards : Yes
 - 2. Changes other than 1. above : Yes
 [Note: For details, please refer to the section entitled "Overview of Financial Statements 4.Other" on page 3.]
- (4) Number of shares outstanding (common stock)
 - 1. Number of shares issued at the end of the period (including treasury stock):
350,000,000 shares as of June 30, 2008, and 350,000,000 shares as of March 31, 2008
 - 2. Number of treasury stock at the end of the period :
9,680,907 shares as of June 30, 2008, and 9,670,723 shares as of March 31, 2008
 - 3. Average number of shares during the period (calculated cumulatively from the beginning of the fiscal year)
340,327,479 shares for the quarter ended June 30, 2008, and 342,223,511 shares for the quarter ended June 30, 2007

Notes: Explanations or other items pertaining to appropriate use of operating result forecasts

- 1. In the current consolidated fiscal year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14). The quarterly consolidated financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements."
- 2. The operating results forecasts and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information currently available to the company. For a variety of reasons, actual performance may differ substantially from these projections.

[Overview of Financial Statements]

1. Consolidated Business Performance

During the first quarter (from April 1, 2008, to June 30, 2008), the Kaneka Group posted consolidated net sales, of ¥124,454 million, but income was lower than during the same period of the previous year. Operating income was ¥5,286 million, and ordinary income was ¥6,157 million.

The Company posted year-on-year sales increases in the Chemicals, Expandable Plastics and Products, Foodstuffs Products and Life Science Products segments, but recorded decreases in the Functional Plastics, Electronic Products and Synthetic Fibers and Others segments.

Operating income rose year on year in the Chemicals, Foodstuffs Products, and Life Science Products segments. However, operating income declined in the Functional Plastics, Expandable Plastics and Products, Electronic Products and Synthetic Fibers and Others segments, owing to such factors as higher raw materials prices and sluggish demand.

2. Consolidated Financial Position

(1) Status of Assets, Liabilities and Equity

Total assets were ¥462,424 million on June 30, 2008, up ¥9,803 million from March 31, 2008. Interest-bearing debts totaled ¥55,643 million, an increase of ¥1,414 million. Net assets amounted to ¥273,566 million, up ¥5,967 million, mainly due to the increase in retained earnings.

(2) Consolidated Cash Flows

Net cash provided by operating activities during the first quarter was ¥6,323 million due to income before income taxes, while net cash used in investing activities amounted to ¥6,111 million due to payment for purchase of tangible fixed assets. Net cash used in financing activities was ¥1,591 million due mainly to dividends paid. As a result, cash and cash equivalents on June 30, 2008, totaled ¥20,718 million.

3. Forecast for Consolidated Business Performance

Against a backdrop of concerns about the U.S. financial system spreading out into the real economy and ongoing increases in raw material prices, the global economy continued to undergo structural change, and deceleration became more pronounced.

Amid such rapid changes in its operating environment, the Kaneka Group sought to maintain or recover profitability in its business segments. At the same time, we endeavored to transform our business structure and accelerate new business creation. At this point, we maintain unchanged our operating performance forecasts for the first half of the fiscal year ending March 31, 2009, as well as for the full term, as announced on April 24, 2008.

4. Other

(1) Changes in principal subsidiaries during the term (Changes in the scope of consolidation of specific subsidiaries)

Nothing to report

(2) Application of simplified methods of accounting and accounting methods specific to the preparation of quarterly consolidated financial statements

1) Method of computing estimated bad debt losses on general credit obligations

As there was no substantial change in the bad debt loss ratio from March 31, 2008, to June 30, 2008, the actual bad debt loss ratio as of March 31, 2008, was used for estimating bad debt losses.

2) Method of valuing inventory assets

With regard to computing the balance of inventories as of June 30, 2008, in some cases physical inventory checks were omitted, but a rational calculation method was employed based

on the actual inventory level as of March 31, 2008, for valuation of inventories.

With regard to marking down the book value of inventory assets, the lower of cost or market method was employed for the inventories on which values had clearly declined.

3) Method of calculating depreciation on fixed assets

For assets using the declining balance method, a pro rata portion for the period under review of applicable depreciation expenses for the consolidated fiscal year was used.

For certain consolidated subsidiaries, a pro rata amount for the period under review based on the estimated amount of fixed assets to be acquired, sold and disposed of during the fiscal year was used as the basis for calculating depreciation on fixed assets.

4) Method of calculating deferred and accrued account items

Estimated amounts were used, based on rational computation methods.

5) Method of calculating corporate taxes, deferred corporate taxes and other deferred tax assets, as well as deferred tax liabilities.

In computing corporate and other tax expenses, calculations take into account net changes in line items and tax credit items. Negligible items are omitted.

In determining the recoverability of deferred tax assets, the operating performance forecasts and tax planning methods used during the fiscal year ended March 31, 2008, were applied to the period under review, as no significant changes in the operating environment or sudden and significant changes in conditions were recognized.

(3) Changes in Accounting Principles, Processes, Presentation Methods, etc., related to the Preparation of Quarterly Consolidated Financial Statements

In the current consolidated fiscal year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14). The quarterly consolidated financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements."

1) Application of Accounting Standard for Valuing Inventory Assets

The "Accounting Standard for Valuing Inventory Assets" (Financial Accounting Standard No. 9, July 5, 2006) was applied from the quarter under review. As a result, the method of valuing these assets was changed from a cost basis to a cost basis (marking down the book value in line with profitability decreases). The impact of this change on quarterly operating income, ordinary income and income before income taxes was negligible.

2) Application of the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements"

In the quarter under review, the Company began applying the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006), making the necessary adjustments to the consolidated financial statements. The effect of this change was to raise operating income ¥21 million and to increase ordinary income and income before income taxes each ¥29 million, compared with the previous method.

The effect of this change on segment information is noted in the corresponding location.

3) Application of accounting standards for lease transactions

In the consolidated fiscal year that commenced on April 1, 2008, the Company applied the "Accounting Standard for Lease Transactions" (Financial Accounting Standard No. 13 (issued June 17, 1993 by Section 1 of the Business Accounting Deliberation Council, revised March 30, 2007)) and the Guidance on Accounting Standard for Lease Transaction, Guidance No. 16 (issued January 18, 1994 by the Accounting Standards Committee of the Japanese Institute of Certified Public Accountants, revised March 30, 2007). The method of accounting for finance leases that do not transfer ownership changed from treating such leases as rental transactions to treatment as sale/purchase transactions, recognizing them as lease assets. Lease assets are depreciated down to a residual value of either zero or the amount calculated as their residual guarantee value, using their lease service life as their service life for depreciation services.

With regard to finance lease transactions that do not transfer ownership on which lease transactions occurred prior to the start of the fiscal year to which they are applied, the prepaid lease amount as of the end of the preceding fiscal year is recorded as an acquisition amount and posted as lease assets. Compared with previous methods for recording lease assets, this method added ¥1,134 million to tangible fixed assets and ¥64 million to intangible fixed assets. This change had no effect on quarterly operating income, ordinary income and income before income taxes.

4) Method of depreciating important depreciable assets
(Additional information)

In accordance with changes in the corporate tax code, the number of years of service life of certain fixed assets held by the Company and its domestic consolidated subsidiaries was changed, beginning from the quarterly fiscal term under review. The number of years of service life corresponded to fewer asset classifications, particularly in the category of machinery and equipment. Owing to these changes, quarterly operating income, ordinary income and income before income taxes were each ¥75 million less than under the previous method.

The effect of this change on segment information is noted in the corresponding location.

5. Quarterly Consolidated Financial Statement
 (1) Quarterly Consolidated Balance sheets

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008
Assets		
Current assets		
Cash and deposits	19,328	20,379
Notes receivable and accounts receivable	112,159	113,224
Marketable securities	1,707	1,907
Manufactured goods and merchandise	43,653	42,880
Raw materials and inventory goods	22,568	18,996
Work in progress	10,614	9,436
Others	12,384	12,062
Allowance for doubtful receivables	(461)	(448)
Total current assets	221,954	218,439
Fixed assets		
Tangible fixed assets		
Machinery and equipment	68,991	68,493
Others	95,396	92,121
Total tangible fixed assets	164,387	160,615
Intangible fixed assets	2,160	2,822
Investments and other assets		
Investments in securities	54,952	50,718
Others	19,265	20,323
Allowance for doubtful receivables	(297)	(298)
Total investments and other assets	73,920	70,743
Total fixed assets	240,469	234,181
Total assets	462,424	452,620

(Millions of yen)

	As of June 30, 2008	As of March 31, 2008
Liabilities		
Current liabilities		
Notes payable and accounts payable	67,718	67,921
Short-term borrowings	23,712	22,020
Accrued corporate taxes	3,249	4,946
Reserve	—	107
Others	43,040	39,186
Total current liabilities	<u>137,720</u>	<u>134,182</u>
Long-term liabilities		
Bonds payable	10,000	10,000
Long-term debts	16,930	17,207
Employees' severance and retirement benefits	17,934	18,218
Reserve	232	234
Others	6,040	5,179
Total long-term liabilities	<u>51,137</u>	<u>50,840</u>
Total liabilities	<u>188,858</u>	<u>185,022</u>
Net assets		
Shareholders' equity		
Common stock	33,046	33,046
Additional paid-in capital	34,836	34,836
Retained earnings	196,819	194,740
Treasury stock	(9,023)	(9,017)
Total shareholders' equity	<u>255,679</u>	<u>253,607</u>
Valuation and translation adjustments, etc		
Net unrealized gain on available for sales securities	12,962	10,625
Loss on deferred hedge	3	3
Foreign currency translation adjustments	(1,649)	(2,974)
Total valuation and translation adjustments	<u>11,315</u>	<u>7,655</u>
Stock acquisition rights	47	50
Minority interests	6,523	6,285
Total net assets	<u>273,566</u>	<u>267,598</u>
Total liabilities and net assets	<u>462,424</u>	<u>452,620</u>

(2) Quarterly Consolidated Statement of Income

	(Millions of yen)
	Term from April 1, 2008 to June 30, 2008
Net sales	124,454
Cost of sales	95,533
Gross profit	<u>28,921</u>
Selling, general and administrative expenses	23,634
Operating income	5,286
Non-operating income	
Dividends income	576
Foreign exchange gains	830
Others	294
Total non-operating income	<u>1,700</u>
Non-operating expenses	
Interest expense	306
Loss on disposal of property, plant and equipment	310
Others	213
Total non-operating expenses	<u>829</u>
Ordinary income	<u>6,157</u>
Income before income taxes	<u>6,157</u>
Corporate taxes, local taxes and business taxes	2,472
Income taxes deferred	(362)
Total corporate taxes	<u>2,109</u>
Minority interests	<u>53</u>
Net income	<u>3,994</u>

(3) Quarterly Consolidated Statements of Cash Flows

	(Millions of yen)
	Term from April 1, 2008 to June 30, 2008
Cash flows from operating activities	
Net income before income taxes	6,157
Depreciation and amortization	6,421
Decrease in severance and retirement benefits	(546)
Increase in allowance for doubtful receivables	4
Interest and dividend income	(655)
Interest expense	306
Equity in losses of unconsolidated subsidiaries and affiliates	8
Loss on disposal of property, plant and equipment	209
Decrease in trade receivables	1,426
Increase in inventories	(4,505)
Decrease in trade payables	(670)
Others	1,611
Subtotal	<u>9,769</u>
Interest and dividends received	673
Interest paid	(213)
Income taxes paid	(3,906)
Net cash provided by operating activities	<u>6,323</u>
Cash flows from investing activities	
Payment for purchase of tangible fixed assets	(5,403)
Payment for purchase of intangible assets	(259)
Purchase of investments in securities	(377)
Proceeds from investments in securities	93
Purchases of subsidiaries' stock	(39)
Increase in loans receivable	(10)
Decrease in loans receivable	100
Others	(214)
Net cash used in investing activities	<u>(6,111)</u>
Cash flows from financing activities	
Net increase in short-term borrowings	1,477
Proceeds from long-term debt	22
Repayment of long-term debt	(236)
Repayment of lease obligations	(139)
Dividends paid	(2,722)
Dividends paid to minority interests	(19)
Proceeds from minority interests	36
Purchase of treasury stock	(10)
Proceeds of reissuance of treasury stock	1
Net cash used in financing activities	<u>(1,591)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>109</u>
Net decrease in cash and cash equivalents	<u>(1,270)</u>
Cash and cash equivalents at beginning of term	<u>21,988</u>
Cash and cash equivalents at term end	<u>20,718</u>

In the current consolidated fiscal year, the Company began applying the “Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard Implementation Guidance No. 14). The quarterly consolidated financial statements were also prepared in accordance with the “Regulations on Quarterly Consolidated Financial Statements.”

- (4) Notes on the premise of a going concern
Term from April 1, 2008 to June 30, 2008 :
No corresponding transactions

(5) Segment Information

[Segment Information by Business Category]
Term from April 1, 2008 to June 30, 2008

(Millions of yen)

	Chemicals	Functional Plastics	Expandable Plastics and Products	Foodstuffs Products	Life Science Products	Electronic Products	Synthetic Fibers and Others	Total	Eliminations and Corporate	Consolidated
Sales										
(1) Customers	26,104	20,919	18,305	31,034	9,998	11,169	6,921	124,454	—	124,454
(2) Intersegment	814	101	58	3	—	—	1,606	2,583	(2,583)	—
Total	26,919	21,020	18,364	31,037	9,998	11,169	8,527	127,038	(2,583)	124,454
Operating income (loss)	1,410	1,615	(329)	679	1,510	929	1,084	6,900	(1,613)	5,286

Notes: 1. The classification of businesses was determined according to comprehensive judgments based on type, application and method of manufacturing, similarities in the method of manufacturing, similarities in the market and mutual relations in the manufacturing process, and common features during development.

Notes: 2. The major products by business are as follows:

- (1) Chemicals..... PVC resins, PVC compounds, Caustic soda, Chlorinated products, Specialty PVC resins
- (2) Functional Plastics Modifier, Modified silicone polymers, Weather-resistant acrylic film
- (3) Expandable Plastics and ProductsExpandable polystyrene, Extruded polystyrene foam boards, Polystyrene foam sheet, Polyolefin foam by beads method, PVC sash window
- (4) Foodstuffs ProductsMargarine, Shortening, Quality fats for confectionery, Bakery yeast, Spices
- (5) Life Science Products Pharmaceutical bulk, Pharmaceutical intermediates, Functional foodstuffs, Medical devices
- (6) Electronic ProductsUltra heat-resistant polyimide film, Optical films, Bonded magnetic materials, Magnet wires, Solar cell
- (7) Synthetic Fibers and Others Modacrylic fibers (Kanecaron), Engineering operations

3. Changes in Accounting Methods

Application of the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements”

In the quarter under review, the Company began applying the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No. 18, May 17, 2006), making the necessary adjustments to the consolidated financial statements. The effect of this change was to decrease operating expenses in the consolidated quarterly fiscal term under review ¥21 million in the Functional Plastics segment, increase these expenses ¥1 million in the Expandable Plastics and Products segment and decrease them ¥1 million in the Synthetic Fibers and Others segment. Operating income changed by corresponding amounts.

Method of depreciating important depreciable assets
(Additional information)

In accordance with changes in the corporate tax code, the number of years of service life of certain fixed assets held by the Company and its domestic consolidated subsidiaries was changed, beginning from the quarterly fiscal term under review. The number of years of service life corresponded to fewer asset classifications, particularly in the category of machinery and equipment. Compared with the previous method, the impact of this change was to reduce operating expenses in the consolidated quarterly fiscal term under review ¥1 million in the Chemicals segment, increase these expenses ¥4 million in the Functional Plastics segment, ¥0 million in the Expandable Plastics and Products segment and ¥25 million in the Foodstuffs Products segment, reduce them ¥6 million in the Life Science Products segment, and increase them ¥50 million in the Electronic Products segment and ¥1 million in the Synthetic Fibers and Others segment. Operating income changed by corresponding amounts.

[International Sales]

Term from April 1, 2008 to June 30, 2008

	Asia	North America	Europe	Other Areas	Total
I International sales (Millions of yen)	18,735	9,017	14,663	4,458	46,874
II Consolidated net sales (Millions of yen)					124,454
III Ratio of international sales to consolidated net sales (%)	15.1	7.2	11.8	3.6	37.7

Notes:

1. International sales are sales of the Company and its consolidated subsidiaries in countries and areas other than Japan.
2. Method of classifying countries or areas and the major countries or regions belonging to each classification are as follows.
 - (1) Method of classification of country or area: geographical proximity
 - (2) Major country or region belonging to each classification by location
 - Asia..... China, Korea, Taiwan
 - North America..... United States, Mexico
 - Europe..... Belgium, United Kingdom
 - Other regions.....Africa, Oceania

- (6) Notes in the event of significant changes in the amount of shareholders' equity
Term from April 1, 2008 to June 30, 2008 :
No corresponding transactions

(Reference)

Previous Quarterly Consolidated Statement of Income (summary)

Account Items	Term from April 1, 2007 to June 30, 2007
	¥ million
I. Net sales	123,746
II. Cost of sales	92,109
Gross profit	31,637
III. Selling, general and administrative expenses	23,028
Operating income	8,609
IV. Non-operating income	1,696
Interest and dividends income	869
Others	826
V. Non-operating expenses	1,078
Interest expense	484
Others	593
Ordinary income	9,227
Income before income taxes	9,227
Tax expense	3,241
Minority interests	117
Net income	5,868

Previous Quarterly Consolidated Statement of Cash Flows (summary)

	Term from April 1, 2007 to June 30, 2007
Item	¥million
I. Cash flows from operating activities	
Net income before income taxes	9,227
Depreciation and amortization	5,868
Decrease in trade receivables	185
Increase in inventories	(3,055)
Increase in trade payables	879
Others	(4,105)
Net cash provided by operating activities	8,999
II. Cash flows from investing activities	
Payment for purchase of tangible fixed assets	(7,971)
Payment for purchase of intangible assets	(205)
Purchase of investments in securities	(468)
Proceeds from investments in securities	88
Others	443
Net cash used in investing activities	(8,113)
III. Cash flows from financing activities	
Decrease in short-term borrowing	(381)
Proceeds from long-term debt	8
Repayment of long-term debt	(166)
Dividends paid	(2,737)
Purchase of treasury stock	(31)
Others	(20)
Net cash used in financing activities	(3,328)
IV. Effect of exchange rate changes on cash and cash equivalents	137
V. Net decrease in cash and cash equivalents	(2,304)
VI. Cash and cash equivalents at beginning of term	22,635
VII. Cash and cash equivalents at term end	20,331

Segment Information

[Segment Information by Business Category]

Term from April 1, 2007 to June 30, 2007

(Millions of yen)

	Chemicals	Functional Plastics	Expandable Plastics and Products	Foodstuffs Products	Life Science Products	Electronic Products	Synthetic Fibers and Others	Total	Eliminations and Corporate	Consolidated
Sales										
(1) Customers	25,223	22,555	17,916	28,755	8,455	12,727	8,112	123,746	—	123,746
(2) Intersegment	692	97	253	2	—	—	1,595	2,641	(2,641)	—
Total	25,915	22,653	18,169	28,757	8,455	12,727	9,707	126,388	(2,641)	123,746
Operating income	1,321	3,542	(303)	591	1,216	1,572	1,844	9,786	(1,176)	8,609

Notes: 1. The classification of businesses was determined according to comprehensive judgments based on type, application and method of manufacturing, similarities in the method of manufacturing, similarities in the market and mutual relations in the manufacturing process, and common features during development.

2. The major products by business are as follows:

- (1) Chemicals..... PVC resins, PVC compounds, Caustic soda, Chlorinated products, Specialty PVC resins
- (2) Functional Plastics Modifier, Modified silicone polymers, Weather-resistant acrylic film
- (3) Expandable Plastics and Products Extruded polystyrene foam boards, Expandable polystyrene, Polyolefin foam by beads method, Polystyrene foam sheet, PVC sash window
- (4) Foodstuffs ProductsMargarine, Shortening, Quality fats for confectionery, Bakery yeast, Spices
- (5) Life Science Products Pharmaceutical bulk, Pharmaceutical intermediates, Functional foodstuffs, Medical devices
- (6) Electronic ProductsUltra heat-resistant polyimide film, Optical films, Bonded magnetic materials, Magnet wires, Solar cell
- (7) Synthetic Fibers and Others Modacrylic fibers (Kanecaron), Engineering operations

[International Sales]

Term from April 1, 2007 to June 30, 2007

	Asia	North America	Europe	Other Areas	Total
I International sales (Millions of yen)	19,951	10,378	13,977	3,427	47,735
II Consolidated net sales (Millions of yen)					123,746
III Ratio of international sales to consolidated net sales (%)	16.1	8.4	11.3	2.8	38.6

Notes:

1. International sales are sales of the Company and its consolidated subsidiaries in countries and areas other than Japan.
2. Method of classifying countries or areas and the major countries or regions belonging to each classification are as follows.
 - (1) Method of classification of country or area: geographical proximity
 - (2) Major country or region belonging to each classification by location
 - Asia..... China, Korea, Taiwan
 - North America..... United States, Mexico
 - Europe..... Belgium, United Kingdom
 - Other regions.....Africa, Oceania

