

Consolidated Statements of Operations

KANEKA CORPORATION AND CONSOLIDATED SUBSIDIARIES

Years ended March 31, 2009, 2008 and 2007

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2009	2008	2007	2009
Net sales	¥ 449,585	¥ 502,968	¥ 473,171	\$ 4,576,860
Cost of sales	353,179	376,031	344,520	3,595,429
Gross profit	96,406	126,937	128,651	981,431
Selling, general and administrative expenses	88,802	91,191	91,985	904,021
Operating income	7,604	35,746	36,666	77,410
Other income (expenses):				
Interest and dividend income.....	1,455	1,601	1,164	14,812
Interest expense	(1,258)	(1,488)	(1,719)	(12,807)
Gain on sales of investments in securities	850	940	1,661	8,653
Loss on disposals of property, plant and equipment	(909)	(1,292)	(1,429)	(9,254)
Foreign exchange gains (losses), net	31	(413)	854	316
Equity in gains (losses) of unconsolidated subsidiaries and affiliates	(489)	60	5	(4,978)
Loss on valuation of investments in securities	(4,207)	—	—	(42,828)
Impairment losses on fixed assets (Note 7).....	(1,467)	(1,171)	(1,864)	(14,934)
Loss on liquidation of business (Note 8).....	(925)	(1,458)	—	(9,417)
Expenses to restructure functional foodstuffs business (Note 9).....	—	—	(4,447)	—
Settlement of U.S. class action lawsuit (Note 10).....	—	—	(697)	—
Gain on sales of subsidiaries' stock.....	—	—	2,726	—
Other, net	(1,439)	(1,288)	(263)	(14,649)
Income (loss) before income taxes and minority interests	(754)	31,237	32,657	(7,676)
Income taxes (Note 11)				
Current.....	3,069	11,316	14,183	31,243
Deferred.....	(2,181)	628	(526)	(22,203)
Minority interests	209	476	636	2,128
Net income (loss)	¥ (1,851)	¥ ¥18,817	¥ ¥18,364	\$ (18,844)
		Yen		U.S. dollars (Note 1)
Net income (loss) per share — basic	¥ (5.45)	¥ ¥55.10	¥ ¥53.48	\$ (0.06)
Net income per share — diluted	—	55.09	—	—
Cash dividends applicable to the year	16.00	16.00	16.00	0.16

See accompanying notes.