

Consolidated Statements of Changes in Net Assets

KANEKA CORPORATION AND CONSOLIDATED SUBSIDIARIES

Years ended March, 2009, 2008 and 2007

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2009	2008	2007	2009
Shareholders' equity				
Common stock				
Balance at beginning of fiscal year	¥ 33,047	¥ 33,047	¥ 33,047	\$ 336,425
Changes during the accounting period				
Total changes during the accounting period	—	—	—	—
Balance at end of fiscal year	33,047	33,047	33,047	336,425
Capital surplus				
Balance at beginning of fiscal year	34,837	34,857	34,857	354,647
Changes during the accounting period				
Cancellation of treasury stock	—	(20)	—	—
Disposition of treasury stock	—	—	—	—
Total changes during the accounting period	—	(20)	—	—
Balance at end of fiscal year	34,837	34,837	34,857	354,647
Retained earnings				
Balance at beginning of fiscal year	194,741	188,417	177,759	1,982,500
Increase for unification of accounting policies applied to foreign subsidiaries	808	—	—	8,226
Changes during the accounting period				
Payment of dividends — ¥16.00 per share	(5,442)	(5,467)	(5,500)	(55,401)
Bonuses to directors and statutory auditors	—	—	(141)	—
Net income (loss)	(1,851)	18,817	18,364	(18,844)
Decrease due to expansion of the scope of consolidated subsidiaries	—	—	(1,936)	—
Decrease in retained earnings due to change in accounting standards at overseas subsidiaries	—	—	(129)	—
Change in retained earnings based on generally accepted accounting procedures in the United States used for U.S. subsidiaries	115	52	—	1,171
Cancellation of treasury stock	—	(7,078)	—	—
Disposition of treasury stock	(14)	—	—	(142)
Total changes during the accounting period	(7,192)	6,324	10,658	(73,216)
Balance at end of fiscal year	188,357	194,741	188,417	1,917,510
Treasury stock				
Balance at beginning of fiscal year	(9,018)	(14,479)	(12,354)	(91,805)
Changes during the accounting period				
Purchase of treasury stock	(616)	(1,647)	(2,130)	(6,271)
Cancellation of treasury stock	—	7,098	—	—
Disposition of treasury stock	50	10	5	509
Total changes during the accounting period	(566)	5,461	(2,125)	(5,762)
Balance at end of fiscal year	(9,584)	(9,018)	(14,479)	(97,567)
Valuation and translation adjustments, etc.				
Net unrealized gain on available-for-sales securities				
Balance at beginning of fiscal year	10,626	24,116	30,237	108,175
Changes during the accounting period				
Changes (net amount) of items other than shareholders' equity during the accounting period	(5,982)	(13,490)	(6,121)	(60,898)
Total changes during the accounting period	(5,982)	(13,490)	(6,121)	(60,898)
Balance at end of fiscal year	4,644	10,626	24,116	47,277
Unrealized gains on hedging derivatives				
Balance at beginning of fiscal year	3	—	—	31
Changes during the accounting period				
Changes (net amount) of items other than shareholders' equity during the accounting period	(2)	3	—	(21)
Total changes during the accounting period	(2)	3	—	(21)
Balance at end of fiscal year	1	3	—	10
Foreign currency translation adjustments				
Balance at beginning of fiscal year	(2,974)	(827)	(2,811)	(30,276)
Changes during the accounting period				
Changes (net amount) of items other than shareholders' equity during the accounting period	(5,023)	(2,147)	1,984	(51,135)
Total changes during the accounting period	(5,023)	(2,147)	1,984	(51,135)
Balance at end of fiscal year	(7,997)	(2,974)	(827)	(81,411)

Consolidated Statements of Changes in Net Assets

Years ended March, 2009, 2008 and 2007

	Millions of yen			Thousands of U.S. dollars (Note 1)
	2009	2008	2007	2009
Stock acquisition rights				
Balance at beginning of fiscal year	¥ 50	¥ –	¥ –	\$ 509
Changes during the accounting period				
Changes (net amount) in items other than shareholders' equity during the accounting period	26	50	–	264
Total changes during the accounting period	26	50	–	264
Balance at end of fiscal year	76	50	–	773
Minority interests				
Balance at beginning of fiscal year	6,286	6,149	5,667	63,993
Changes during the accounting period				
Changes (net amount) in items other than shareholders' equity during the accounting period	(138)	137	482	(1,405)
Total changes during the accounting period	(138)	137	482	(1,405)
Balance at end of fiscal year	6,148	6,286	6,149	62,588
Total net assets				
Balance at beginning of fiscal year	267,598	271,280	266,402	2,724,198
Increase for unification of accounting policies applied to foreign subsidiaries	808	–	–	8,226
Changes during the accounting period				
Payment of dividends — ¥16.00 per share	(5,442)	(5,467)	(5,500)	(55,401)
Bonuses to directors and statutory auditors	–	–	(141)	–
Net income (loss)	(1,851)	18,817	18,364	(18,844)
Decrease due to expansion of the scope of consolidated subsidiaries	–	–	(1,936)	–
Decrease in retained earnings due to change in accounting standards at overseas subsidiaries	–	–	(129)	–
Change in retained earnings based on generally accepted accounting procedures in the United States used for U.S. subsidiaries	115	52	–	1,171
Purchase of treasury stock	(616)	(1,647)	(2,130)	(6,271)
Cancellation of treasury stock	–	–	–	–
Disposition of treasury stock	36	10	5	366
Changes (net amount) in items other than shareholders' equity during the accounting period	(11,119)	(15,447)	(3,655)	(113,193)
Total changes during the accounting period	(18,877)	(3,682)	4,878	(192,172)
Balance at end of fiscal year	¥ 249,529	¥ 267,598	¥ 271,280	\$ 2,540,252