

Supplementary financial summary for the six months ended September 30, 2001

Note: Fractions of one-tenth billion yen omitted.

1. Operating Performance

(billions of yen)

	April 2001 – September 2001			April 2000 – September 2000			Consolidated		Non-consolidated	
	Consolidated [a]	Non-consolidated [b]	a/b	Consolidated [a]	Non-consolidated [b]	a/b	Increase (decrease)	Percent change	Increase (decrease)	Percent change
Net Sales	600.0	461.2	1.30	611.2	479.3	1.28	(11.1)	-1.8%	(18.0)	-3.8%
Operating profit	23.7	12.5	1.89	46.1	26.1	1.76	(22.4)	-48.6%	(13.6)	-52.0%
Ordinary profit	20.6	14.3	1.44	41.4	24.5	1.69	(20.7)	-50.1%	(10.1)	-41.4%
Net income	3.0	2.5	1.22	12.2	6.4	1.91	(9.1)	-75.0%	(3.9)	-60.9%
Total assets*	1,208.8	1,017.9	1.19	1,244.6	1,046.2	1.19				
Shareholders' equity**	512.0	446.2	1.15	508.1	451.9	1.12				
Net income per share (yen)	2.12	1.74	1.22	8.49	4.45	1.91				
Shareholders' equity per share (yen)	354.96	309.35	1.15	352.28	313.25	1.12				
ROA (annualized)	0.5%	0.5%	–	2.0%	1.3%	–				
ROE (annualized)	1.2%	1.1%	–	5.0%	3.0%	–				
Cash dividends, six-month (yen)	3.0			3.0						

* 1,240.0 as of March 2001.

** 516.0 as of March 2001.

2. Financial Highlights

(billions of yen)

	April 2001 – September 2001		April 2000 – September 2000		Forecast (April 2001 – March 2002)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Capital expenditures*	33.5	20.4	31.6	22.6	82.0	53.0
Depreciation*	26.6	19.7	27.5	20.5	60.0	43.0
Interest bearing debt at end of term	304.5	248.4	290.0	224.3	336.5	293.8
Net financing income (expenses) <i>Of which, cash dividends received</i>	(1.4) <i>0.8</i>	2.1 <i>4.2</i>	(1.3) <i>1.2</i>	0.2 <i>2.5</i>	(3.2) <i>1.4</i>	1.3 <i>5.4</i>
R&D expenditures	23.9	20.2	24.5	21.0	50.0	41.5
Number of employees	26,746	12,221	26,791	12,437		

* Tangible fixed assets.

3. Key operating factors

	April 2001 – September 2001	April 2000 – September 2000	Forecast (April 2002 – March 2002)
Naphtha price (yen/kL, domestic)	24,400	22,150	20,600
Yen/US\$ exchange rate (market average)	122	107	120

4. Subsidiaries and affiliates

	September 2001	March 2001
Consolidated subsidiaries	101	102
Unconsolidated subsidiaries and affiliates*	57	58
Total	158	160

* Unconsolidated subsidiaries and 20–50% owned companies using the equity method.

5. Forecast for the fiscal year April 2001 – March 2002

5.1. Consolidated (billions of yen)

	April 2001 – March 2002 [a]	April 2000 – March 2001 [b]	a-b	Percent change
Net sales	1,210.0	1,269.4	(59.4)	-4.7%
Operating profit	54.0	96.0	(42.0)	-43.8%
Ordinary profit	47.0	86.7	(39.7)	-45.8%
Net income	9.0	25.1	(16.1)	-64.1%

5.2. Non-consolidated (billions of yen)

	April 2001 – March 2002 [a]	April 2000 – March 2001 [b]	a-b	Percent change
Net sales	940.0	990.4	(50.4)	-5.1%
Operating profit	34.0	57.9	(23.9)	-41.3%
Ordinary profit	34.0	56.3	(22.3)	-9.7%
Net income	4.5	11.7	(7.2)	-61.6%

6. Net sales and operating profit by sector

6.1.1. Consolidated net sales by sector

(billions of yen)

	April 2001 – September 2001 [a]	April 2000 – September 2000 [b]	a-b	Percent change	Forecast (April 2001 – March 2002)	April 2000 – March 2001
Chemical and chemical-related	223.6	214.3	9.2	+4.3%	443.0	449.4
Housing and construction materials <i>Of which, housing</i>	203.6 169.7	205.7 172.1	(2.1) (2.4)	-1.0% -1.4%	419.0 350.0	443.4 365.8
Fibers and textiles	64.3	67.7	(3.3)	-4.9%	130.0	134.7
Electronics	32.0	49.7	(17.6)	-35.5%	64.0	95.9
Health care	49.0	47.4	1.5	+3.3%	99.0	95.4
Liquors, services and others	27.3	26.2	1.0	+4.0%	55.0	60.2
Total	600.0	611.2	(11.1)	-1.8%	1,210.0	1,269.4

6.1.2. Consolidated operating profit by sector

(billions of yen)

	April 2001 – September 2001 [a]	April 2000 – September 2000 [b]	a-b	Percent Change	Forecast (April 2001 – March 2002)	April 2000 – March 2001
Chemical and chemical-related	7.6	15.2	(7.5)	-49.8%	19.0	31.2
Housing and construction materials	7.5	10.2	(2.6)	-25.9%	16.5	25.1
Fibers and textiles	0.1	1.4	(1.2)	-89.1%	0.5	2.1
Electronics	2.0	12.7	(10.6)	-83.5%	4.0	23.0
Health care	6.5	6.5	0.0	+0.4%	14.0	13.2
Liquors, services and others	(0.4)	0.0	(0.4)	–	0.0	1.1
Total	23.7	46.1	(22.4)	-48.6%	54.0	96.0

6.2.1. Non-consolidated net sales by sector

(billions of yen)

	April 2001 – September 2001 [a]	April 2000 – September 2000 [b]	a-b	Percent change	Forecast (April 2001 – March 2002)	April 2000 – March 2001
Chemical and chemical-related	185.4	191.6	(6.1)	-3.2%	377.0	394.4
Housing and construction materials <i>Of which, housing</i>	178.7 152.3	184.6 156.6	(5.9) (4.3)	-3.2% -2.8%	368.0 314.0	389.9 333.6
Fibers and textiles	47.0	51.0	(4.0)	+8.0%	94.0	100.8
Electronics	7.6	9.2	(1.5)	+17.1%	15.0	18.9
Health care	30.9	30.1	0.8	+2.7%	62.0	60.0
Liquors, services and others	11.3	12.5	(1.1)	-9.4%	24.0	26.1
Total	461.2	479.3	(18.0)	-3.8%	940.0	990.4

6.2.2. Non-consolidated operating profit by sector

(billions of yen)

	April 2001 – September 2001 [a]	April 2000 – September 2000 [b]	a-b	Percent change	Forecast (April 2001 – March 2002)	April 2000 – March 2001
Chemical and chemical-related	6.9	13.3	(6.4)	48.3%	17.5	27.6
Housing and construction materials	3.9	7.9	(3.9)	50.3%	11.0	20.3
Fibers and textiles	(0.9)	0.0	(0.9)	–	(2.0)	(0.0)
Electronics	0.6	1.9	(1.2)	67.1%	1.5	4.3
Health care	3.3	4.0	(0.6)	17.1%	7.5	7.4
Liquors, services and others	(1.3)	(1.0)	(0.2)	–	(1.5)	(1.8)
Total	12.5	26.1	(13.6)	52.0%	34.0	57.9

7. Breakdown of increase (decrease) in net sales and operating profit

7.1. Breakdown of increase (decrease) in net sales

(billions of yen)

	Consolidated increase (decrease) due to:			Consolidated increase (decrease) [a]	Non-consolidated increase (decrease) [b]	a-b
	Sales price	Sales volume	Sales composition			
Chemical and chemical related	(4.0)	(1.5)	(0.7)	9.3	(6.2)	15.5
Housing and construction materials	1.0	(11.0)	4.1	(2.1)	(5.9)	3.8
Fibers and textiles	(0.5)	(3.5)	(0.1)	(3.3)	(4.1)	0.7
Electronics	(0.5)	(1.0)	(0.1)	(17.7)	(1.6)	(16.1)
Health Care	(0.5)	1.5	(0.2)	1.6	0.8	0.8
Liquors, services and others	–	(1.0)	(0.2)	1.1	(1.2)	2.2
Total	(4.5)	(16.5)	2.9	(11.1)	(18.1)	6.9

7.2. Breakdown of increase (decrease) in operating profit

(billions of yen)

		Consolidated increase (decrease) [a]	Non-consolidated increase (decrease) [b]	a-b
Due to change in:	Sales price	(5.5)*	(4.5)	(1.0)
	Sales volume	(15.5)**	(7.5)	(8.0)†
	Proportional expenses	(2.5)‡	(2.5)	–
	Fixed expenses	2.0§	2.0	–
	Sales composition	(1.1)	(1.1)	–
	Total	(22.4)	(13.6)	(8.9)

* Increase due to exchange rate roughly equivalent to decrease due to lower export prices.

** Of which, decrease in housing and construction materials: 3.5, decrease in chemical and chemical related: 3.0.

† Mainly in electronics.

‡ Decrease due to naphtha price: 3.6.

§ Increase due to reduced maintenance expenses: 1.8.

8. Interest bearing debt and net financing income (expenses)

8.1. Interest-bearing debt at end of term

(billions of yen)

	September 2001		March 2001		September 2000	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Short-term borrowings and commercial paper	63.3	18.7	41.5	3.8	60.4	12.4
Long-term loans	32.0	23.0	28.6	18.4	29.1	16.3
Bonds	208.0	206.0	207.1	204.0	199.0	195.0
Notes discounted	1.1	0.6	0.9	0.4	1.4	0.4
Total	304.5	248.4	278.3	226.8	290.0	224.3

8.2. Net financing income (expenses)

(billions of yen)

	April 2001 – September 2001		April 2000 – September 2000	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Interest expenses	(2.8)	(2.2)	(3.1)	(2.4)
Interest income	0.5	0.1	0.5	0.2
Dividend income	0.8	4.2	1.2	2.5
Total	(1.4)	2.1	(1.3)	0.2

9. Consolidated statements of cash flows

(billions of yen)

	April 2001 – September 2001	April 2000 – September 2000
a. Cash flows from operating activities	15.6	14.2
b. Cash flows from investing activities	(42.5)	(27.6)
c. Free cash flows (a+b)	(26.8)	(13.3)
d. Cash flows from financing activities	17.7	(9.3)
e. Effect of exchange rate changes on cash and cash equivalents	(0.0)	0.1
f. Net increase (decrease) in cash and cash equivalents (c+d+e)	(9.1)	(22.6)
Cash and cash equivalents at beginning of term	86.7	104.9
Cash and cash equivalents held by newly consolidated subsidiaries	0.0	0.1
Cash and cash equivalents at end of term	77.6	82.4