

**Supplementary financial summary for the year ended March 31, 2003**

Note: Fractions of one-tenth billion yen omitted.

1. Operating Performance

(billions of yen)

	April 2002 – March 2003			April 2001 – March 2002			Consolidated		Non-consolidated	
	Consolidated	Non-consolidated	Ratio*	Consolidated	Non-consolidated	Ratio*	Increase (decrease)	Percent change	Increase (decrease)	Percent change
Net Sales	1,193.6	906.3	1.32	1,195.3	922.0	1.30	(1.7)	-0.1%	(15.7)	-1.7%
Operating profit	61.5	37.0	1.66	45.6	25.1	1.82	15.8	34.8%	11.8	47.2%
Ordinary profit	50.3	32.2	1.56	39.8	27.9	1.42	10.5	26.4%	4.2	15.3%
Net income (loss)	(66.7)	(67.6)	-	5.1	1.0	5.04	(71.9)	-	(68.6)	-
Total assets	1,212.3	1,016.7	1.19	1,193.0	1,001.7	1.19	19.3	1.6%	15.0	1.5%
Shareholders' equity	407.6	334.5	1.22	496.8	422.9	1.17	(89.1)	-18.0%	(88.4)	-20.9%
Net income (loss) per share, yen	(47.63)	(48.25)	-	3.61	0.72	5.01				
Shareholders' equity per share, yen	290.92	238.71	1.22	353.16	300.67	1.17				
ROA	-5.6%	-6.7%	-	0.4%	0.1%	-				
ROE	-14.8%	-17.9%	-	1.0%	0.2%	-				
D/E ratio	0.79	0.84	-	0.64	0.64	-				
Cash dividends, yen	6.0			6.0						

\* Consolidated/non-consolidated.

## 2. Financial Highlights

	April 2002 – March 2003		April 2001 – March 2002		Forecast (April 2003 – March 2004)	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated†
Capital expenditures, tangible	80.6	48.8	63.5	39.5	76.0	–
Capital expenditures, intangible	13.3	10.6	11.2	11.3	11.0	–
Depreciation*	60.8	43.3	60.6	45.1	66.0	–
R&D expenditures	49.3	39.8	49.5	40.5	49.0	–
Interest bearing debt at end of term	323.6	280.1	319.5	269.7	318.0	–
Net financing income (expenses) <i>Of which, cash dividends received</i>	(3.5) 1.5	(1.1) 3.4	(3.2) 1.5	3.5 7.7	(2.7) 1.3	–
Number of employees	25,730	11,659	26,227	12,066		

\* Of tangible and intangible assets, total.

† Non-consolidated forecast unavailable due to transition to holding company configuration.

## 3. Key operating factors

	April 2002 – March 2003	April 2001 – March 2002	Fiscal 2003 forecast		
			April – Sept. 2003	Sept. 2003 – March 2004	April 2003 – March 2004
Naphtha price (yen/kL, domestic)	24,050	22,000	25,000	22,000	23,500
Yen/US\$ exchange rate (market average)	122	125	120	120	120

4. Subsidiaries and affiliates

	March 2003	March 2002	Increase (decrease)
Consolidated subsidiaries	100	101	(1)
Unconsolidated subsidiaries and affiliates*	56	59	(3)
Total	156	160	(4)

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

5. Forecast for the fiscal year April 2003 – March 2004

5.1. Consolidated

(billions of yen)

	April 2003 – March 2004	April 2002 – March 2003	Increase (decrease)	Percent change	Forecast (April 2003 – September 2003)
Net sales	1,250.0	1,193.6	56.3	4.7%	595.0
Operating profit	60.0	61.5	(1.5)	–2.5%	24.0
Ordinary profit	55.0	50.3	4.6	9.2%	21.0
Net income (loss)	29.0	(66.7)	95.7	–	11.0

5.2. Non-consolidated\*

(billions of yen)

	April 2003 – March 2004	April 2002 – March 2003	Increase (decrease)	Percent change	Forecast (April 2003 – September 2003)
Net sales	–	906.3	–	–	440.0
Operating profit	–	37.0	–	–	11.0
Ordinary profit	–	32.2	–	–	9.0
Net income (loss)	–	(67.6)	–	–	7.0

\* Non-consolidated forecast for fiscal year unavailable due to transition to holding company configuration.

6. Net sales and operating profit by sector

6.1. Consolidated net sales by sector

(billions of yen)

	April 2002 – March 2003	April 2001 – March 2002	Increase (decrease)	Percent change	Forecast	
					April – Sept. 2003	April 2003 – March 2004
Chemical and chemical-related	477.5	440.6	36.8	8.4%	243.0	494.0
Housing and construction materials <i>Of which, housing</i>	383.6 320.5	408.4 342.5	(24.8) (22.0)	–6.1% –6.4%	191.0 159.0	429.0 364.0
Fibers and textiles	110.5	125.9	(15.3)	–12.2%	51.0	105.0
Electronics	71.5	64.0	7.5	11.7%	38.0	77.0
Health care	105.4	98.6	6.7	6.9%	56.0	112.0
Liquors, services and others	44.7	57.5	(12.7)	–22.2%	16.0	33.0
Total	1193.6	1,195.3	(1.7)	–0.1%	595.0	1,250.0

6.2. Consolidated operating profit (loss) by sector

(billions of yen)

	April 2002 – March 2003	April 2001 – March 2002	Increase (decrease)	Percent change	Forecast		Retirement benefits*	
					April – Sept. 2003	April 2003 – March 2004	April – Sept. 2003	April 2003 – March 2004
Chemical and chemical-related	24.6	14.8	9.8	66.4%	10.5	24.0	(3.6)	(7.8)
Housing and construction materials	10.3	14.5	(4.1)	–28.7%	4.0	15.5	(1.7)	(3.6)
Fibers and textiles	0.9	(0.9)	1.9	–	(1.5)	(2.5)	(1.2)	(2.7)
Electronics	11.0	3.5	7.5	212.3%	6.0	12.0	(0.2)	(0.5)
Health care	14.9	13.3	1.6	12.1%	6.0	11.0	(1.3)	(2.8)
Liquors, services and others	(0.4)	0.0	(0.5)	–	(1.0)	0.0	(0.1)	(0.1)
Combined	61.5	45.3	16.2	35.8%	24.0	60.0	(8.2)	(17.5)
Eliminations	(0.0)	0.3	(0.3)	–	–	–	–	–
Consolidated	61.5	45.6	15.8	34.8%	24.0	60.0	(8.2)	(17.5)

\* Effect of increase from previous fiscal year due to one-time amortization of accumulated actuarial differences as special loss.

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

7.1. Breakdown of increase (decrease) in net sales (billions of yen)

	Sales volume	Sales price	Sales composition	Total
Chemical and chemical-related	25.0	5.0	6.8	36.8
Housing and construction materials	(24.5)	(2.0)	1.7	(24.8)
Fibers and textiles	(17.5)	–	2.2	(15.3)
Electronics	9.0	(1.0)	(0.5)	7.5
Health care	11.0	(4.0)	(0.3)	6.7
Liquors, services and others	(13.0)	–	0.3	(12.7)
Total	(10.0)	(2.0)	10.3	(1.7)

7.2. Breakdown of increase (decrease) in operating profit (billions of yen)

	Sales volume*	Sales price†	Proportional expenses‡	Fixed expenses§	Total
Chemical and chemical-related	6.0	5.0	(3.0)	1.8	9.8
Housing and construction materials	(12.0)	(2.0)	3.0	6.9	(4.1)
Fibers and textiles	(8.0)	–	(2.0)	11.9	1.9
Electronics	8.0	(1.0)	0.5	–	7.5
Health care	5.0	(4.0)	(0.5)	1.1	1.6
Liquors, services and others	(2.0)	–	–	1.5	(0.5)
Eliminations	–	–	–	(0.3)	(0.3)
Total	(3.0)	(2.0)	(2.0)	22.8	15.8

\* Decrease for housing due to lower No. of units delivered; decrease for fibers due to viscose rayon withdrawal and nylon 66 suspension.

† Increase for chemicals due to higher monomer prices; decrease for health care due to lower reimbursement prices.

‡ Increase for chemicals due to naphtha price: 22,000 yen/kL to 24,050 yen/kL; decrease for housing due to reduced materials costs.

§ Decrease for fibers due to viscose rayon withdrawal and nylon 66 suspension.

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

8.1. Interest-bearing debt at end of term (billions of yen)

	March 2003		March 2002	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Short-term borrowings and commercial paper	52.1	35.3	46.9	11.0
Long-term loans	81.0	56.4	59.9	48.0
Bonds	190.0	188.0	212.0	210.0
Notes discounted	0.4	0.3	0.6	0.5
Total	323.6	280.1	319.5	269.7

8.2. Net financing income (expenses) (billions of yen)

	April 2002 – March 2003		April 2001 – March 2002	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Interest expenses	(5.6)	(4.8)	(5.6)	(4.4)
Interest income	0.6	0.2	0.9	0.3
Dividend income	1.5	3.4	1.5	7.7
Total	(3.5)	(1.1)	(3.2)	3.5

9. Consolidated statements of cash flows

(billions of yen)

	April 2002 – March 2003	April 2001 – March 2002
a. Cash flows from operating activities	84.4	69.9
b. Cash flows from investing activities	(84.5)	(87.9)
c. Free cash flows [a+b]	(0.1)	(18.0)
d. Cash flows from financing activities	(8.9)	14.5
e. Effect of exchange rate changes on cash and cash equivalents	(0.4)	0.5
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	(9.6)	(2.8)
Cash and cash equivalents at beginning of term	83.9	86.7
Cash and cash equivalents held by newly consolidated subsidiaries	4.9	0.0
Cash and cash equivalents at end of term	79.2	83.9