



# Interim Results for the Financial Year Ending March 31, 2007

November 14, 2006

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# I. Major Events (April 06 – November 06)

KUREHA CORPORATION

## **1. General**

Apr. 06 Upgraded utility supply facility and launched new power plant (generating 43000KW of power)

Apr. 06 Completed modifier inspection by US Legal Department

## **2. Advanced Materials**

Apr. 06 Raised production capacity at PPS plant at the Iwaki factory to 10,000t/year

Jun. 06 Began construction measures at Iwaki factory to raise carbon textile materials production capacity (slated for completion by Dec. 06)

Sep. 06 Fire broke out at the PPS plant at the Iwaki factory early on the morning of September 7<sup>th</sup>. Production resumed from October 19<sup>th</sup>

## **3. Specialty Chemicals**

Apr. 06 Announced price revision of caustic soda

Apr. 06 Agreed license contract with Conmed Pharmaceutical & Bio-Medical Corporation(Taiwan) on development and commercialization rights for kidney disease application of “Kremezin” in Taiwan

Jun. 06 Filed patent infringement lawsuit and anti-competitive lawsuit against “Merckmezin” (generic drug of “Kremezin”)

Oct. 06 Announced price revision of liquid chlorine

Nov. 06 Agreed license contract with Mitsubishi Pharma Corporation on development and commercialization rights for kidney disease application of “Kremezin” in the U.S. and Europe

## **4. Specialty Plastics**

Aug. 06 Launched new products; Kureha Rubbermaid container S-type and SS-type

Aug. 06 Established Kureha Shanghai Trading Co. Ltd. and began full-scale business for household goods in China

Oct. 06 “New Krewrap” presented with 2006 good design award

Oct. 06 Announced price revision for commercial-use packaging materials

## **5. Other Operations**

Aug. 06 Acquired stake in Nishiki Kogyo Co., Ltd. with the purpose of creating Kureha subsidiary

Oct. 06 Kureha Construction Co. Ltd. and Nishiki Kogyo Co., Ltd. merged and renamed Kurehanishiki Construction Co. Ltd.

**KUREHA**

## 2. Consolidated Companies

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006 Interim		FY2005 Interim		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
<b>KUREHA CORPORATION</b>		394	1,499	393	1,387	1	112
<b>Nishiki Trading Co., Ltd.(plus 1 group company)</b>		154	136	141	122	13	14
<b>Advanced Materials</b>	KUREHA CORPORATION	119	-	110	-	9	-
	Nishiki Trading Co., Ltd. (plus 1 group company)	47	-	39	-	8	-
	Kakogawa Plastics Co., Ltd.	18	22	14	21	4	1
	Kureha GmbH	10	9	8	7	2	2
	Kureha America Inc.	13	46	11	35	2	11
	Kureha Chemicals Shanghai Co., Ltd.	3	7	3	8	0	-0
	Consolidation adjustments	-44	-	-35	-	-	-
Total		167	-	150	-	17	-
<b>Specialty Chemicals</b>	KUREHA CORPORATION	113	-	125	-	-12	-
	Nishiki Trading Co., Ltd.	40	-	40	-	0	-
	Consolidation adjustments	-15	-	-15	-	-	-
Total		139	-	150	-	-11	-
<b>Specialty Plastics</b>	KUREHA CORPORATION	162	-	158	-	4	-
	Nishiki Trading Co., Ltd.	55	-	53	-	2	-
	Kureha Gosen Co., Ltd.	15	26	15	24	-1	2
	Kureha Plastics Co., Ltd.	61	72	60	72	1	-0
	Kureha Extech Co., Ltd.	14	18	14	18	1	0
	Krehalon Industrie B.V.	25	45	20	36	6	9
	Four other froup companies in Europe handling food packaging	17	22	22	26	-5	-4
	Consolidation adjustments	-121	-	-122	-	-	-
Total		228	-	220	-	9	-

**KUREHA**

# Consolidated Companies

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006 Interim		FY2005 Interim		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
<b>Other Operations</b>	Kureha Environmental Engineering Co., Ltd.	21	47	19	46	2	2
	Kureha Special Laboratory Co., Ltd.	7	6	6	5	0	0
	Kureha Engineering Co., Ltd.	47	71	41	45	6	26
	Kureha Construction Co., Ltd. (plus 3 group companies)	30	64	37	55	-7	9
	Kureha Unyu Co., Ltd. (plus 6 group companies)	62	68	60	58	1	10
	Nishiki Trading Co., Ltd.	11	-	9	-	2	-
	Kureha Service Co., Ltd. (plus 1 group company)	6	66	7	66	-1	0
	Kureha Staff Service Co., Ltd.	9	4	8	3	2	1
	Consolidated adjustment	-95	-	-85	-	-	-
	<b>Total</b>	<b>98</b>	<b>-</b>	<b>102</b>	<b>-</b>	<b>-5</b>	<b>-</b>
	(Number of consolidated companies)	(32)		(33)		(-1)	
	<b>Consolidated Total</b>	<b>631</b>	<b>1,896</b>	<b>621</b>	<b>1,735</b>	<b>10</b>	<b>161</b>
Equity-method affiliates	RUTGERS KUREHA SOLVENTS GmbH	11		11			
	Nantong SKT New Material Co., Ltd.	14		-			

\*Reduction in number of consolidated companies

Kureha Corporation of America was merged with Kureha KPS, Inc. and renamed Kureha America Inc. as of January 1, 2006.

(Note) Kureha Construction Co., Ltd. was merged with Nishiki Kogyo Co., Ltd. and renamed Kurehanishiki Construction Co., Ltd. as of October 3, 2006.

Kureha Staff Service Co., Ltd.(former group company of Kureha Environmental Engineering Co., Ltd.) changed their Japanese name.

**KUREHA**

## 3. Interim Results for the Financial Year 2006

# Financial Highlights

## (Comparison with same period in FY2005)

KUREHA CORPORATION

(Unit: 100 million yen)

	FY2006 Interim			FY2005 Interim			Increase/Decrease (Ratio)			
	Consolidated	consolidated	Ratio	Consolidated	consolidated	Ratio	Consolidated		Non-consolidated	
Net sales	631	394	1.6	621	393	1.6	10	1.5%	1	0.3%
Operating income	29	19	1.6	37	27	1.3	-7	-20.2%	-9	-31.4%
Recurring income	30	24	1.2	37	31	1.2	-7	-19.3%	-7	-21.0%
Net income	13	8	1.7	15	15	1.0	-2	-15.8%	-8	-49.8%
Total assets	1,896	1,499	1.3	1,735	1,387	1.3	-	-	-	-
Shareholders' equity	* 1,022	930	1.1	924	868	1.1	-	-	-	-
Net income per share(yen)	6.94	4.19	1.7	8.23	8.3	1.0	-	-	-	-
Shareholders' equity per share(yen)	548.88	503.73	1.1	505.60	472.75	1.1	-	-	-	-
Equity ratio	% 53.5	% 62.0	0.9	% 53.3	% 62.6	0.9	% -	% -	% -	% -

\* 101.3 billion yen -based on former standards of accounting

**KUREHA**

# Financial Highlights (Comparison with estimates from May)

KUREHA CORPORATION

(Unit: 100 million yen)

	FY 2006 Interim			FY2006 Interim (as est. in May)*			Increase/Decrease(Ratio)			
	Consolidated	consolidated	Ratio	Consolidated	consolidated	Ratio	Consolidated		Non-consolidated	
Net sales	631	394	1.6	630	385	1.6	1	0.1%	9	2.3%
Operating income	29	19	1.6	30	18	1.7	-1	-1.7%	1	4.3%
Recurring income	30	24	1.2	30	20	1.5	-0	-1.3%	4	22.4%
Net income	13	8	1.7	10	6	1.7	3	28.4%	2	29.2%
Total assets	1,896	1,499	1.3	-	-	-	-	-	-	-
Shareholders' equity	* 1,022	930	1.1	-	-	-	-	-	-	-
Net income per share(yen)	6.94	4.19	1.7	-	-	-	-	-	-	-
Shareholders' equity per share(yen)	548.88	503.73	1.1	-	-	-	-	-	-	-
Equity ratio	% 53.5	% 62.0	0.9	% -	% -	-	% -	-	% -	-

\*Disclosed as of May 16, 2006

**KUREHA**

# Key Indicators (Comparison with same period in FY2005)

KUREHA CORPORATION

(Unit: 100 million yen)

	FY2006 Interim			FY2005 Interim			Increase/Decrease(Ratio)			
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Consolidated		Non-consolidated	
Capital expenditure	54	38	1.4	57	44	1.3	-3	-6%	-6	-14%
Depreciation	43	35	1.2	38	30	1.3	5	12%	5	17%
R&D expenses	31	29	1.1	32	31	1.0	-1	-3%	-2	-6%
Interest-bearing debt	366	256	1.4	379	272	1.4	-13	-3%	-16	-6%
Net interest expense	1	9	-	1	6	-	-1	-	3	-
Exchange rate(US \$)	115.5			109.3			6			
Employees	3,745	1,346	2.8	3,806	1,395	2.7	-61	-2%	-49	-4%

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# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Advanced Materials

(Unit: 100 million yen)

		FY2006 Interim		Increase/		FY2005 Interim	Increase/		
		Results	Estimates	Decrease	(Ratio)		Decrease	(Ratio)	
Consolidated net sales	KUREHA	Carbon products	36	32	4	12%	39	-3	-9%
		Advanced plastics	64	63	1	2%	56	8	15%
		Others	19	17	2	13%	15	4	29%
		Total	119	111	8	7%	110	9	8%
	Consolidated subsidiaries	91	85	6	7%	75	16	21%	
	Eliminations	-44	-36	-8	-	-35	-9	-	
Total		167	160	7	4%	150	17	11%	
Consolidated operating income		16	16	0	1%	16	0	-2%	

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# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Specialty Chemicals

(Unit: 100 million yen)

		FY2006 Interim		Increase/		FY2005 Interim	Increase/		
		Results	Estimates	Decrease	(Ratio)		Decrease	(Ratio)	
Consolidated net sales	KUREHA	Industrial chemicals	50	47	3	6%	48	1	2%
		Agrochemicals	25	26	-1	-6%	31	-7	-21%
		Pharmaceuticals	39	39	-0	-1%	45	-6	-14%
		Total	113	112	1	1%	125	-12	-9%
	Consolidated subsidiaries	40	40	0	1%	40	1	1%	
	Eliminations	-15	-14	-1	-	-15	0	-	
Total		139	138	1	0%	150	-11	-7%	
Consolidated operating income		12	9	3	35%	21	-9	-43%	

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# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Specialty Plastics

(Unit: 100 million yen)

			FY2006 Interim		Increase/ Decrease(Ratio)		FY2005 Interim	Increase/ Decrease(Ratio)	
			Results	Estimates					
Consolidated net sales	KUREHA	Food packaging materials	53	51	2	3%	54	-2	-3%
		Household products	101	100	1	1%	94	7	8%
		Fishing lines	3	6	-3	-48%	5	-2	-41%
		Others	5	5	0	0%	5	0	3%
	Total		162	162	-0	0%	158	4	2%
	Consolidated subsidiaries		187	182	5	3%	184	4	2%
	Eliminations		-121	-121	0	-	-122	1	-
Total		228	223	5	2%	220	9	4%	
Consolidated operating income			2	6	-4	-	-2	4	-

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# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Other Operations

(Unit: 100 million yen)

		FY2006 Interim		Increase/		FY2005 Interim	Increase/	
		Results	Estimates	Decrease	(Ratio)		Decrease	(Ratio)
Consolidated net sales	Environmental engineering business	27	29	-2	-5%	25	2	8%
	Construction-related business	76	78	-2	-2%	78	-2	-2%
	Transport and warehousing business	62	61	1	1%	60	1	2%
	Trading	11	10	1	12%	9	2	23%
	Others	15	14	1	9%	14	0	0%
	Total	192	192	0	0%	187	5	3%
	Eliminations	-95	-83	-12	-	-85	-10	-
	<b>Total</b>	<b>98</b>	<b>109</b>	<b>-11</b>	<b>-11%</b>	<b>102</b>	<b>-5</b>	<b>-5%</b>
Consolidated operating income		4	2	2	85%	4	-1	-13%

KUREHA

# Balance Sheets

KUREHA CORPORATION

## 1. Assets (Unit: 100 million yen)

	As of Sep. 30, 2006		As of March 31, 2006		Increase/Decrease		(Ref.)As of Sep. 30, 2005	
	Consolidated	No-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cash and cash equivalents	44	26	65	46	-21	-19	52	30
Accounts and notes receivable-trade	322	195	340	200	-18	-5	289	184
Inventories	229	141	204	141	25	0	197	129
Other current assets	58	77	58	78	-1	-0	69	91
<b>Sub total</b>	<b>652</b>	<b>439</b>	<b>667</b>	<b>463</b>	<b>-15</b>	<b>-24</b>	<b>606</b>	<b>435</b>
Property, plant and equipment	705	513	709	521	-3	-8	700	500
Intangible assets	16	13	18	15	-2	-2	20	17
Total investments and other assets	522	535	458	477	64	58	408	435
<b>Sub total</b>	<b>1,243</b>	<b>1,060</b>	<b>1,185</b>	<b>1,013</b>	<b>58</b>	<b>48</b>	<b>1,128</b>	<b>953</b>
<b>Total</b>	<b>1,896</b>	<b>1,499</b>	<b>1,852</b>	<b>1,476</b>	<b>44</b>	<b>23</b>	<b>1,735</b>	<b>1,387</b>

## 2. Liabilities and Net Assets (Unit: 100 million yen)

	As of Sep. 30, 2006		As of March 31, 2006		Increase/Decrease		(Ref.)As of Sep. 30, 2005	
	Consolidated	No-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Accounts and notes payable-trade	199	92	194	89	5	3	154	69
Interest-bearing debt	366	256	354	254	12	2	379	272
Reserves	50	17	55	19	-4	-2	56	19
Other liabilities	258	204	253	202	4	2	214	158
<b>Sub total</b>	<b>873</b>	<b>569</b>	<b>856</b>	<b>564</b>	<b>17</b>	<b>5</b>	<b>803</b>	<b>519</b>
Common stock	125	125	125	125	-	-	125	125
Capital reserve	100	102	98	102	2	0	99	97
Valuation and translation adjustment	139	126	117	103	21	23	91	85
Other retained earnings	650	578	643	583	7	-5	610	561
<b>Sub total</b>	<b>1,013</b>	<b>930</b>	<b>984</b>	<b>912</b>	<b>30</b>	<b>18</b>	<b>924</b>	<b>868</b>
Minority interests	9	-	12	-	-4	-	7	-
<b>Total</b>	<b>1,896</b>	<b>1,499</b>	<b>1,852</b>	<b>1,476</b>	<b>44</b>	<b>23</b>	<b>1,735</b>	<b>1,387</b>

KUREHA

# Analysis of Recurring Income (Comparison with same period in FY 2005)

KUREHA CORPORATION

		FY2006 Interim		FY2005 Interim		Change
Recurring income	KUREHA	24.5	83%	31.0	84%	-6.5
	Consolidated subsidiaries	16.0	54%	12.1	33%	3.8
	Equity-method affiliates	1.1	4%	0.1	0%	1.1
	Consolidation adjustments	-12.0	-40%	-6.5	-18%	-5.5
	<b>Total</b>	<b>29.6</b>	<b>100%</b>	<b>36.7</b>	<b>100%</b>	<b>-7.1</b>

## Reasons for earnings increase/decrease

	Reasons for increase		Reasons for decrease		Total
	Item	Amount	Item	Amount	
KUREHA	Increased sales volume	7.0	Decreased sales volume	-14.5	
	Increased unit sales price	12.0	Decreased unit sales price	-3.0	
	Reduced Direct marketing costs	2.1	Decreased unit cost of fuel	-8.3	
	Differing inventories levels	2.8	Increased manufacturing fixed costs	-4.7	
	Differing net interest expense	3.4	Increased general and administrative costs	-2.0	
			Others	-1.3	
		<b>27.3</b>	<b>-33.8</b>	<b>-6.5</b>	
Consolidated subsidiaries	European packaging materials business	3.1			
	Others	0.7			
		<b>3.8</b>			<b>3.8</b>
Equity-method affiliates	Nantong(China)	1.1			1.1
Consolidated adjustments			Adjustments of dividends from subsidiaries	-5.5	-5.5

**KUREHA**

# Analysis of Recurring Income (Comparison with estimates from May)

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006 Interim (as est. in May)		FY2006 Interim		Change
Recurring income	KUREHA	24.5	83%	20.0	67%	4.5
	Consolidated subsidiaries	16.0	54%	16.0	53%	0.0
	Equity-method affiliates	1.1	4%	0.6	2%	0.5
	Consolidated adjustments	-12.0	-41%	-6.6	-22%	-5.4
	<b>Total</b>	<b>29.6</b>	<b>100%</b>	<b>30.0</b>	<b>100%</b>	<b>-0.4</b>

## Reasons for earnings increase/decrease

	Reasons for increases		Reasons for decreases		Total
	Item	Amount	Item	Amount	
KUREHA	Increased sales volume	7.0	Decreased sales volume	-5.5	4.5
	Increased unit price	0.9	Increased unit price of raw materials	-2.7	
	Reduced manufacturing fixed costs	1.1	Differing specific productivity	-3.3	
	Reduced general and administrative costs	7.0	Differing inventories level	-2.5	
	Improved financial balance	3.0	Increased direct marketing costs	-0.5	
		<b>19.0</b>		<b>-14.5</b>	
Consolidated subsidiaries	European packaging materials business	1.6	Advanced materials	-1.7	0.0
	Service, construction, and other businesses	4.5	Domestic resin processing business	-1.6	
			Environmental related business	-2.8	
		<b>6.1</b>		<b>-6.1</b>	
Equity-method affiliates	Nantong(China)	0.5			0.5
Consolidation adjustments			Adjustments of dividends from subsidiaries	-5.4	-5.4

**KUREHA**

# Breakdown of Extraordinary Income/Losses

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006 Interim		FY2005 Interim		Increase/Decrease	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Extraordinary income	Income from sales of investment securities	8.3	3.3	8.7	5.2	-0.4	1.9
	Gain on sales of fixed assets	4.2	1.3	1.2	1.2	3.0	-0.1
	Others	0.6	0.1	0.3	0.2	0.3	0.2
	<b>Total</b>	<b>13.2</b>	<b>4.6</b>	<b>10.3</b>	<b>6.6</b>	<b>2.9</b>	<b>-2.0</b>
Extraordinary losses	Loss on elimination/sale of fixed assets	16.4	15.7	6.0	5.6	-10.4	-10.1
	Appraisal loss on inventories	3.4	3.4	-	-	-3.4	-3.4
	Appraisal loss on fixed assets	-	-	2.9	-	2.9	-
	Restructuring expenses	-	-	5.6	5.6	5.6	5.6
	Others	3.2	0.5	7.0	3.5	3.8	3.0
	<b>Total</b>	<b>23.0</b>	<b>19.6</b>	<b>21.6</b>	<b>14.7</b>	<b>-1.4</b>	<b>-4.9</b>

KUREHA

# Cashflow

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006 Interim		FY2005 Interim		Increase/Decrease	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cashflow from operating activities	Pre-depreciation profit	63	44	64	52	-1	-8
	Increase/decrease in assets and liabilities	-6	-3	3	-2	-9	-1
	Payments of corporation tax	-28	-15	-23	-13	-5	-2
	Other-net	-7	10	-13	4	6	6
		22	36	31	41	-9	-5
Cashflow from investing activities		-53	-45	-55	-53	2	8
Cashflow from financing activities		10	-10	16	8	-6	-18
Effect of exchange rate changes on cash and cash equivalents		0	0	0	0	0	0
Increase in cash and cash equivalents upon change of fiscal year-end of consolidated subsidiaries		-	-	0	-	0	-
Cash and cash equivalents at beginning of year		65	46	60	34	5	12
Net increase/decrease in cash and cash equivalents		-21	-19	-8	-4	-13	-15
Cash and cash equivalents at end of year		44	27	52	30	-8	-3

KUREHA

## 4. Estimates for the Financial Year ending March 2006

# Estimated Figures (Comparison with estimates from May)

KUREHA CORPORATION

(Unit: 100 million yen)

	FY2006(as est. in Nov)			FY2006(as est. in May)			Increase/Decrease(Ratio)			
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Consolidated		Non-consolidated	
Net sales	1,450	840	1.7	1,420	840	1.7	30	2.1%	0	-
Operating income	120	68	1.8	120	68	1.8	0	-	0	-
Recurring income	115	70	1.6	115	70	1.6	0	-	0	-
Net income	57	38	1.5	57	38	1.5	0	-	0	-

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# Estimated Figures (Comparison with previous year)

KUREHA CORPORATION

(Unit: 100 million yen)

	FY2006(as est. in Nov.)			FY2005			Increase/Decrease			
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Consolidated		Non-consolidated	
Net sales	1,450	840	1.7	1,356	818	1.7	94	6.9%	22	2.7%
Operating income	120	68	1.8	97	59	1.6	23	23.6%	9	15.1%
Recurring income	115	70	1.6	92	61	1.5	23	25.2%	9	14.4%
Net income	57	38	1.5	52	37	1.4	5	10.2%	1	1.6%

**KUREHA**

# Key Indicators

KUREHA CORPORATION

(Unit: 100 million yen)

	FY2006 (as est. in Nov.)			FY2005			Increase/Decrease(Ratio)			
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Consolidated		Non-consolidated	
Capital expenditure	120	99	1.2	120	109	1.1	0	0%	-10	-9%
Depreciation	89	73	1.2	79	62	1.3	10	13%	11	18%
R&D expenses	70	66	1.1	74	71	1.0	-4	-5%	-5	-7%
Interest-bearing debt	350	260	1.3	354	254	1.4	-4	-1%	6	2%
Net interest expense	0	11	-	1	10	-	-1	-	1	10%
Employees	3,797	1,303	2.9	3,746	1,349	2.8	51	1%	-46	-3%

KUREHA

# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Advanced Materials

(Unit: 100 million yen)

		FY2006 (as est. in Nov.)	FY2006 (as est. in May)	Increase/ Decrease(Ratio)		FY2005	Increase/ Decrease(Ratio)		
Consolidated net sales	KUREHA	Carbon products	71	66	5	8%	77	-6	-8%
		Advanced plastics	137	148	-11	-7%	118	19	16%
		Others	44	42	2	5%	37	7	19%
		Total	252	256	-4	-2%	232	20	9%
	Consolidated subsidiaries	174	180	-6	-3%	163	11	7%	
	Eliminations	-86	-86	0	-	-79	-7	-	
	Total	340	350	-10	-3%	316	24	8%	
Consolidated operating income		39	45	-6	-13%	39	0	0%	

KUREHA

# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Specialty Chemicals

(Unit: 100 million yen)

		FY2006 (as est. in Nov.)	FY2006 (as est. in May)	Increase/ Decrease(Ratio)		FY2005	Increase/ Decrease(Ratio)		
Consolidated net sales	KUREHA	Industrial chemicals	98	94	4	4%	97	1	1%
		Agrochemicals	69	71	-2	-3%	73	-4	-5%
		Pharmaceuticals	89	91	-2	-2%	93	-4	-4%
		Total	256	256	0	0%	263	-7	-3%
		Consolidated subsidiaries	80	83	-3	-4%	81	-1	-1%
		Eliminations	-31	-29	-2	-	-31	0	-
		<b>Total</b>	<b>305</b>	<b>310</b>	<b>-5</b>	<b>-2%</b>	<b>313</b>	<b>-8</b>	<b>-3%</b>
Consolidated operating income		36	35	1	3%	35	1	3%	

KUREHA

# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Specialty Plastics

(Unit: 100 million yen)

		FY2006 (as est. in Nov.)	FY2006 (as est. in May)	Increase/ Decrease(Ratio)		FY2005	Increase/ Decrease(Ratio)		
Consolidated net sales	KUREHA	Food packaging materials	105	105	0	0%	104	1	1%
		Household products	204	200	4	2%	193	11	6%
		Fishing lines	15	15	0	0%	14	1	7%
		Others	8	8	0	0%	12	-4	-33%
		Total	332	328	4	1%	323	9	3%
		Consolidated subsidiaries	374	378	-4	-1%	373	1	0%
		Eliminations	-241	-241	0	-	-243	2	-
	<b>Total</b>	<b>465</b>	<b>465</b>	<b>0</b>	<b>0%</b>	<b>453</b>	<b>12</b>	<b>3%</b>	
Consolidated net income		24	22	2	9%	6	18	295%	

KUREHA

# Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

## Other Operations

(Unit: 100 million yen)

		FY2006 (as est. in Nov.)	FY2006 (as est. in May)	Increase/ Decrease(Ratio)		FY2005	Increase/ Decrease(Ratio)	
Consolidated net sales	Environmental engineering business	62	62	0	0%	60	2	3%
	Construction-related business	306	260	46	18%	252	54	21%
	Transport and warehousing business	126	124	2	2%	124	2	2%
	Trading	20	20	0	0%	20	0	0%
	Others	31	29	2	7%	29	2	7%
	Total	545	495	50	10%	484	61	13%
	Eliminations	-205	-200	-5	-	-209	4	-
<b>Total</b>	<b>340</b>	<b>295</b>	<b>45</b>	<b>15%</b>	<b>275</b>	<b>65</b>	<b>24%</b>	
Consolidated operating income		24	21	3	14%	21	3	14%

KUREHA

# Cashflow

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2006(est. as of Nov.)		FY2005		Increase/Decrease	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cashflow from operating activities	Pre-depreciation profit	189	131	157	117	32	14
	Increase/decrease in assets and liabilities	-32	-29	11	8	-43	-37
	Payments of corporation tax	-33	-20	-41	-21	8	1
	Other-net	11	16	-15	-5	26	21
		135	98	113	99	22	-1
Cashflow from investing activities		-120	-101	-96	-69	-24	-32
Cashflow from financing activities		-16	-16	-11	-19	-5	3
Effects of exchange rate changes on cash and cash equivalents		0	0	0	0	0	0
Increase in cash and cash equivalents upon change of fiscal year-end of consolidated		-	-	0	-	0	-
Cash and cash equivalents at beginning of year		65	46	60	34	5	12
Net increase/decrease in cash and cash equivalents		-1	-19	5	11	-6	-30
Cash and cash equivalents at end of year		64	27	65	46	-1	-19

KUREHA

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