



Kureha Corporation Reports Fiscal 2008 Results

Tokyo, Japan – May 2009 – Leading specialty chemicals and plastic products company, Kureha Corporation (“Kureha”), has reported earnings for the fiscal year ended March 2009 (FY2008). On a consolidated basis, operating income declined by 25.7% year-on-year to ¥9.45 billion, while recurring income was down 31.7% to ¥8.65 billion on sales of ¥143.7 billion (down 4.0%). Net income declined by 44.7% to ¥3.37 billion, in part due to losses incurred on valuations of inventories and marketable securities.

Results were approximately in line with the Company’s revised forecast in February 2009. Kureha’s annual dividend has remained at the projected ¥10.0 per share.

Kureha President and Chief Executive Officer, Takao Iwasaki, said, “FY 2008 results demonstrated that Kureha, like so many other companies, has been affected by the global economic turmoil, despite our continued efforts to focus on specialty products and build a non-cyclical business foundation.”

A number of Kureha’s core products have displayed sustainable demand in spite of the difficult operating environment, with carbon fibers showing promising demand growth for use in solar power equipment and *Kremezin*, a therapeutic agent for chronic kidney disease, set to expand sales globally. Iwasaki commented, “If we analyze Kureha’s current business portfolio, most core products relate to the environmental, energy-efficiency and healthcare areas, all of which are essential to the development of a sustainable society. I would like to consider the current situation not as a crisis, but as an opportunity.”

Iwasaki added, “In addition, Kureha has completed development of breakthrough technology and intellectual property in relation to PGA (polyglycolic acid) and is constructing a new U.S. production facility in partnership with DuPont. With characteristics ideally suited to high-performance packaging and industrial applications, PGA is expected to become a centerpiece of the Company’s strategy of focusing on value-added, highly differentiated products.” A high-performance polymer, PGA will initially be used as an application for carbonated drinks bottles as well as surgical suture.

“Therefore, despite current setbacks, the business scenario envisaged in Kureha’s mid-term business plan, *Grow Globally*, remains intact. The fact that the Company remains committed to maintaining its planned high level of capital expenditure is evidence of our confidence in the strategy outlined in the mid-term plan,” said Iwasaki.

Summary of consolidated full year results

(¥ million, except where stated)

	March 2008	March 2009	Change (%)
Sales	149,775	143,741	-4.0
Operating income	12,722	9,456	-25.7
Recurring income	12,661	8,650	-31.7
Net income	6,096	3,373	-44.7
Earnings per share (EPS) (¥)	33.39	18.75	-43.8

Consolidated performance by segment

(¥ million, except where stated)

Division		March 2008	March 2009	March 2010 (Forecast)
Advanced materials	Sales	38,914	32,423	33,000
	Operating income	4,378	678	-1,000
Specialty chemicals	Sales	32,521	33,898	34,000
	Operating income	3,482	5,731	4,900
Specialty plastics	Sales	48,764	43,538	44,000
	Operating income	3,358	1,654	1,900
Other operations	Sales	29,573	33,881	34,000
	Operating income	1,619	2,104	1,600
	Cancellations	-116	-712	-400
Total	Sales	149,775	143,741	145,000
	Operating income	12,722	9,456	7,000

Performance by division

Advanced materials division

Major product areas: advanced plastics (PPS resin, PVDF resin), carbon products

Advanced materials division sales were down 17% year-on-year to ¥32.4 billion, while operating income declined by 85% to ¥0.7 billion. PPS resin for automotive and electronics applications experienced a sharp drop in sales, resulting in earnings deterioration both in Japan and the U.S., while carbon fibers experienced growth in demand during the period.

Carbon fiber business to expand

Kureha has increased production capacity for carbon fiber products at the Iwaki Factory and also at Kureha Chemicals Shanghai to meet continued growth in demand for use as an insulating material in silicon wafers for semiconductors and solar powered equipment. Sales of carbon fiber products in FY2008 grew slightly from ¥7.7 billion to ¥7.8 billion, but the increase in depreciation and the stronger yen impacted operating profit.

Advanced plastics decline sharply

Sales of advanced plastics were down 28% from ¥16.3 billion to ¥11.8 billion. In particular, this was due to the fall in auto sales, which also impacted profits. PVDF resin, which in recent years has experienced strong demand for use in lithium ion secondary batteries for use in PCs and cell phones, also recorded a sharp fall in sales on the back of slower demand and inventory adjustments in the electronics sector.

Outlook: FY2009 divisional sales are projected to be almost constant at ¥33.0 billion, but operating income is expected to shift to a ¥1.0 billion deficit. The outlook for the advanced materials division is likely to remain uncertain as long as the global recession and suppressed demand in the auto industry continues. The carbon fiber business, however, is expected to experience strong growth with sales projected to increase from ¥7.7 billion to ¥9.8 billion in FY2009.

Specialty chemicals division

Major product areas – industrial chemicals, agrochemicals, pharmaceuticals

Specialty chemicals division sales were up 4% year-on-year to ¥33.9 billion. Divisional operating income recorded a 65% increase to ¥5.7 billion, thanks to the stable performance of agrochemical and pharmaceutical businesses.

Kremezin continues to perform well

Sales of pharmaceutical products increased from ¥8.6 billion to ¥10.1 billion in FY2008 as a result of a strong performance by *Kremezin* offsetting a decline in sales of *Krestin*, a drug for cancer immunotherapy.

Industrial chemicals benefitted from price adjustment

Sales of industrial chemicals declined marginally to ¥10.3 billion. Despite the decrease in sales volume, however, initiatives to transfer the impact of rising raw materials and oil prices to the final product resulted in an increase in operating income.

Agrochemical products continued to grow

Sales of agrochemicals were up 7% year-on-year to ¥7.4 billion, with *Metconazole* continuing to enjoy strong overseas demand. Benefitting from stable licensing revenue and the strong Euro during the first half, the agrochemicals business also recorded growth in operating profits.

Outlook: FY2009 divisional sales are expected to stay at ¥34.0 billion, but operating income is projected to decline by 15% to ¥4.9 billion. Expected sales growth of *Kremezin* and *Krestin* will be impacted by a rising depreciation burden following *Kremezin* production capacity increases, while growth in sales of *Metconazole* in Europe and North America is expected to be negated by exchange rate fluctuations. The contribution made by licensing revenue to the divisional sales figure is expected to decline, while industrial chemicals should enjoy stable earnings.

Specialty plastics division

Major product areas – food packaging materials, household products, fishing lines

Specialty plastics division sales dropped by 11% year-on-year to ¥43.5 billion, while operating income for the division halved to ¥1.7 billion. Earnings deterioration was mainly due to a decline in sales volume of PVDC compound to China and of fishing line products, as well as exchange rate losses on sales of packaging materials on Europe. Continuous improvements to *NEW Krewrap* product functionality, however, resulted in growth in household product sales.

Packaging materials business remains stable

Sales of food packaging materials were down by 9% to ¥10.0 billion. Domestic sales of PVDC film and multilayer films increased, while sales of large-lot machinery for food packaging machines slowed due to decline in demand.

NEW Krewrap continues solid earnings

Sales of household products grew by 7% to reach ¥22.9 billion. *NEW Krewrap* posted an improved sales figure due to an increase to the average unit price, although the overall sales volume remained flat. Rising raw material prices, however, had a negative impact on operating income.

Fishing line product sales slow

Sales of *Seaguar* series products were hit by weak private consumption.

Outlook: FY2009 divisional sales are forecast to increase by 1% to ¥44.0 billion, with operating income projected to grow by 15% to ¥1.9 billion. This improvement should primarily be the result of an increase in packaging materials sales volume in Europe, as well as the recovery of PVDC compound sales to China. Sales of *NEW Krewrap* are expected to be stable, while fishing line sales should bottom out.

Other operations division

Major product areas – environmental engineering, construction and transport/warehousing-related businesses

Other operations division sales increased by 15% year-on-year to ¥33.9 billion, with operating income also up, by 30%, to ¥2.1 billion thanks to the completion of large-scale plant construction projects.

Environmental engineering profits to improve

In the environmental engineering area, overall sales were down by 4% to ¥6.5 billion. Sales from medical waste processing declined while costs associated with furnace repair and analysis work increased, resulting in a drop in profits.

Construction related businesses enjoy earnings boost

Sales at construction related businesses improved significantly, up 34% to ¥34.8 billion due to the completion of large-scale plant construction projects.

Logistics and warehousing businesses largely unchanged

Logistics and warehousing business sales presented a mixed picture and overall declined slightly to ¥12.4 billion. Logistics business activity declined and faced increased competition.

Outlook: FY2009 divisional sales are projected to be flat at ¥34.0, with operating income expected to be down 24% to ¥1.6 billion. Environmental engineering is forecast to remain stable through efforts to efficiently match operational capacity to demand.

FY2009 Outlook

(¥ million, except where stated)

	March 2009	March 2010 (Forecast)	Change (%)
Sales	143,741	145,000	0.9
Operating income	9,456	7,000	-26.0
Recurring income	8,650	6,000	-30.6
Net income	3,373	2,700	-20.0
Earnings per share (EPS) (¥)	18.75	15.07	-19.6

Kureha forecasts the decline of both sales and profits to continue in FY2009. The Company anticipates sales of ¥145.0 billion, down 0.9%; operating income of ¥7.0

billion, down 26.0%; recurring income of ¥6.0 billion, down 30.6%; and net income of ¥2.7 billion, down 20.0%. Kureha expects the advanced materials business to pick up gradually and agrochemical shipments to improve from the second half. Kureha's strategy of focusing on high value-added strategic products while streamlining operational efficiency will help the Company weather the current economic turmoil.

Capex, Depreciation, R&D and Debt level

(¥ billion)

	March 2008	March 2009	March 2010 (forecast)
Capital expenditure	10.1	17.8	22.0
Depreciation	10.1	10.3	12.2
R&D	6.5	6.1	6.5
Interest-bearing debt	32.0	44.0	55.0

As planned, Kureha boosted capital expenditure from ¥10.1 billion in FY2007 to ¥17.8 billion in FY2008. The increase came primarily from 1) carbon fiber production capacity expansion, 2) capacity increase for *Kremezin*, 3) expansion of the packaging materials business in Europe, and 4) the establishment of Kureha Vietnam Co., Ltd.

It is important to note that despite the current difficult operating environment, Kureha aims to maintain a high level of capital expenditure and is planning to spend ¥22.0 billion in FY2009. Major areas of investment will be 1) further capacity expansion of carbon fiber production in Iwaki, Shanghai, and Pennsylvania, and 2) PGA plant construction in the U.S.

Depreciation increased slightly from ¥10.1 billion to ¥10.3 billion and is projected to increase to ¥12.2 billion for FY2009. R&D spending during FY2008 was ¥6.1 billion, down slightly from the previous year. However, R&D expenditure remains vital to Kureha, a fact reflected in the projected increase to ¥6.5 billion for FY2009.

On the back of Kureha's aggressive capital expenditure program, interest-bearing debt set to increase, from ¥44.0 billion in FY2008, to ¥55.0 billion in FY2009, assuming that the Company will conduct further capital funding during this fiscal year.

For further information, please contact:

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<Appendix>

Condensed Consolidated Balance Sheets

(¥ millions)

	31 March 2009	31 March 2008
Assets		
Current assets	68,592	69,487
Cash and cash equivalents	7,264	6,120
Fixed assets	113,631	117,861
Property, plant and equipment	77,363	71,763
Intangible assets	1,108	935
Investments and other assets	35,159	45,162
Total Assets	182,224	187,349
Liabilities		
Current liabilities	52,436	58,274
Short-term borrowings	17,353	18,542
Fixed liabilities	32,713	24,492
Corporate bonds	15,000	5,000
Long-term borrowings	11,680	8,498
Total Liabilities	85,149	82,766
Net Assets		
Shareholders' equity	93,988	93,138
Reevaluation and conversion differences, etc.	1,586	10,248
Minority interest	1,452	1,175
Total Net Assets	97,074	104,582
Total Liabilities and Net Assets	182,224	187,349

Condensed Consolidated Statement of Income

(¥ millions)

	March 2009	March 2008
Sales	143,741	149,775
Cost of goods sold	105,193	106,195
Selling, general and administrative expenses	29,091	30,858
Operating income	9,456	12,722
Non-operating income	1,351	1,719
Non-operating expenses	2,156	1,780
Recurring income	8,650	12,661
Extraordinary gains	358	2,087
Extraordinary losses	2,999	3,614
Income before income taxes	6,009	11,135
Taxes and minority interest adjustments	2,636	5,038
Net income	3,373	6,096

Results for the Year ended March 31, 2009

May 13, 2009

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1. Consolidated Companies

KUREHA CORPORATION

(Unit : 100million yen)

		FY2007		FY2008		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
Kureha Corporation		900	1,458	866	1,442	-34	-16
Nishiki Trading Co., Ltd. and one group company		319	120	294	104	-25	-16
Advanced Materials	Kureha Corporation	284	-	227	-	-56	-
	Nishiki Trading Co., Ltd. and one group company	101	-	86	-	-15	-
	Kakogawa Plastics Co., Ltd.	29	22	28	27	-0	5
	Kureha Extech Co., Ltd.	-	-	18	18	18	-
	Nihon Extron Co., Ltd.	8	19	13	16	13	16
	Kureha GmbH	31	15	26	12	-5	-3
	Kureha America Inc. and two group company	36	65	21	128	-15	63
	Kureha Chemicals Shanghai Co., Ltd.	10	10	10	18	-0	8
Consolidation adjustments		-110	-	-106	-	4	-
Total		389	-	324	-	-65	-
Specialty Chemicals	Kureha Corporation	260	-	279	-	19	-
	Nishiki Trading Co., Ltd.	98	-	93	-	-5	-
	Consolidation adjustments	-32	-	-32	-	-0	-
Total		325	-	339	-	14	-
Specialty Plastics	Kureha Corporation	357	-	360	-	3	-
	Nishiki Trading Co., Ltd. and one group company	102	-	96	-	-5	-
	Kureha Gosen Co., Ltd.	32	27	24	19	-7	-8
	Kureha Plastics Co., Ltd.	132	72	140	81	8	9
	Kureha Extech Co., Ltd.	21	14	-	-	-21	-
	Krehalon Industrie B.V. and four group company	107	75	70	55	-37	-20
	Kureha Shanghai Trading Co., Ltd.	0	1	0	0	0	-1
Consolidation adjustments		-261	-	-255	-	6	-
Total		488	-	435	-	-52	-

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1. Consolidated Companies

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2007		FY2008		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
Other Operations	Kureha Ecology Management Co., Ltd.	52	45	50	41	-3	-4
	Kureha Special Laboratory Co., Ltd.	16	7	15	7	-0	0
	Kureha Engineering Co., Ltd. and 1 group companies ☆-1	100	59	146	69	46	10
	Kurehanishiki Construction Co., Ltd. and 3 group companies	159	89	202	114	43	25
	Kureha Unyu Co., Ltd. and 6 group companies	130	65	124	63	-6	-2
	Nishiki Trading Co., Ltd.	18	-	19	-	0	-
	Kureha Service Co., Ltd.	6	49	7	45	0	-5
	Kureha Staff Service Co., Ltd.	24	6	26	7	2	1
Consolidation Adjustments		-210	-	-249	-	-39	-
Total		296	-	339	-	43	-
(Number of consolidated companies)		(35)		(34)			
Consolidation Total		1,498	1,873	1,437	1,822	-61	-51
Equity-method affiliates	Nangtong SKT New Material Co., Ltd.	34		28		-6	

※ Number of consolidated companies: 34(1 removed)

☆-1 Kureha Engineering Co., Ltd. merged with subsidiary, Kureha Techno Maintenance Co., Ltd. As of April 1, 08.

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2. Fiscal 2008 Results and Fiscal 2009 Forecasts

Financial Highlights

KUREHA CORPORATION

(unit: 100million yen)

	FY2007			FY2008						FY2009(est.)							
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Year-on-year change				Consolidated	Non-consolidated	Ratio	Year-on-year change			
							Consolidated	Non-consolidated						Consolidated	Non-consolidated		
Net sales	1,498	900	1.7	1,437	866	1.7	-60	-4%	-34	-4%	(640)	(390)	1.6	13	0.9%	14	1.6%
Operating income	127	79	1.8	95	72	1.3	-33	-26%	-6	-8%	(4)	(4)	1.4	-25	-26.0%	-22	-30.6%
Recurring income	127	83	1.6	87	69	1.3	-40	-32%	-14	-17%	(2)	(7)	1.2	-27	-30.6%	-19	-27.4%
Net income	61	41	1.5	34	28	1.2	-27	-45%	-14	-33%	(1)	(5)	1.1	-7	-20.0%	-3	-9.7%
Total assets	1,873	1,458	1.3	1,822	1,442	1.3	-51	-3%	-16	-1%	※ () Estimates for first-half results						
Shareholders' equity	1,046	925	1.1	971	866	1.1	-75	-7%	-58	-6%							
Net income per share	yen 33.39	yen 22.66	1.5	yen 18.75	yen 15.39	1.2	yen -14.64	-44%	yen -7.27	-32%							
Shareholder's equity per share(yen)	yen 572.24	yen 511.78	1.1	yen 533.45	yen 483.28	1.1	yen -38.79	-7%	yen -28.5	-6%							
Equity ratio	% 55.2	% 63.4	0.9	% 52.4	% 60	0.9	% -2.8	-	% -3.4	-							

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Key Indicators

KUREHA CORPORATION

(unit : 100 million yen)

	FY2007			FY2008						FY2009 (est.)							
	Consolidated	Non-consolidated	Ratio	Consolidated	Non-consolidated	Ratio	Year-on-year change				Consolidated	Non-consolidated	Ratio	Year-on-year change			
							Consolidated	Non-consolidated	Consolidated	Non-consolidated				Consolidated	Non-consolidated		
Capital Expenditure	101	75	1.4	178	117	1.5	77	77%	42	55%	220	99	2.2	42	23%	-18	-15%
Depreciation	101	79	1.2	103	80	1.3	2	2%	1	1%	122	94	1.3	19	18%	14	17%
R&D expenses	65	63	1.1	61	58	1.1	-5	-7%	-5	-7%	65	62	1.0	4	7%	4	7%
Interest-bearing debt	320	228	1.4	440	333	1.3	120	37%	105	46%	550	382	1.4	110	25%	49	15%
Net interest expense	1	14	-	0	8	-	-1	-87%	-5	-39%	-3	8	-	-3	-2100%	-0	-5%
Exchange rate	114.67yen/\$、161.74yen/EUR			100.57yen/\$、141.95yen/EUR						90yen/\$、120yen/EUR							
Dividend per share	10.0 yen/year			10.0 yen /year						10.0 yen/year							
Employees	3,882	1,285	2.9	3,972	1,250	3.2	90	2%	-35	-2%	4,148	1,296	3.2	176	4%	46	4%

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Balance Sheets

KUREHA CORPORATION

1. Assets

(Unit: 100 million yen)

	As of Mar. 31, 2008		As of Mar. 31, 2009		Increase/decrease	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cash and cash equivalents	61	28	73	44	11	16
Accounts and notes receivable-trade	351	205	301	164	-50	-42
Inventories	224	150	257	190	33	40
Other current assets	58	71	55	74	-4	3
Sub total	695	454	686	471	-9	17
Property, plant and equipment	718	504	774	532	56	28
Intangible assets	9	7	11	7	2	1
Investments and other assets	452	493	352	432	-100	-62
Sub total	1,179	1,004	1,136	971	-42	-33
Total	1,873	1,458	1,822	1,442	-51	-16

2. Liabilities and net assets

(Unit: 100 million yen)

	As of Mar. 31, 2008		As of Mar. 31, 2009		Increase/decrease	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Accounts and notes payable-trade	206	84	182	62	-24	-22
Interest-bearing debt	320	228	440	333	120	105
Reserves	50	12	48	13	-2	2
Other liabilities	251	209	181	168	-70	-42
Sub total	828	533	851	576	24	42
Common stock	125	125	125	125	0	0
Capital reserves	100	102	100	102	0	0
Retained earnings	722	616	728	616	6	-0
Treasury stock, at cost	-16	-16	-13	-13	3	3
Valuation and translation adjustment	102	97	16	36	-87	-61
Share warrant	0	0	0	0	0	0
Minority interests	12	-	15	-	3	-
Sub total	1,046	925	971	866	-75	-58
Total	1,873	1,458	1,822	1,442	-51	-16

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Analysis of Recurring Income

KUREHA CORPORATION

		FY2007		FY2008		Change
Recurring income	Kureha	82.5	95%	68.9	80%	-13.6
	Consolidated subsidiaries	52.2	60%	27.6	32%	-24.6
	Equity-method affiliates	3.9	4%	3.1	4%	-0.8
	Consolidation adjustments	-12.0	-14%	-13.0	-15%	-1.0
	計	126.6	146%	86.5	100%	-40.1

Reason for earnings increase/decrease

	Reason for increase		Reason for decrease		Total
	Item	Amount	Item	Amount	
Kureha	Increased unit sales price	24	Decreased sales volume	-39	
	Differing inventories levels	16	Increased unit price of purchased products, raw materials and fuels	-18	
	Decreased direct marketing costs	2	Increased manufacturing fixed costs	-5	
	Decreased general and administrative costs	7	Financial balance	-5	
	Decreased R&D	6	Others	-2	
			55	-69	
Consolidated subsidiaries	Others	2	Domestic advanced materials business	-4	
			Overseas advanced materials business	-17	
			Domestic specialty plastics business	-2	
			Overseas specialty plastics business	-3	
				-26	
Equity-method affiliates			Nangton SKT New Material Co. Ltd.	-0.8	-0.8

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Analysis of Recurring Income

KUREHA CORPORATION

(Unit:100 million yen)

		FY2008		FY2009 (est.)		Change
Recurring income	Kureha	68.9	62%	50.0	83%	-18.9
	Consolidated subsidiaries	27.6	45%	15.0	25%	-12.6
	Equity-method affiliates	3.1	2%	1.1	2%	-2.0
	Consolidation adjustments	-13.0	-9%	-6.1	-10%	6.9
	合計	86.5	100%	60.0	100%	-26.5

Reason for earnings increase/decrease

	Reason for increase		Reason for decrease		Total
	Item	Amount	Item	Amount	
kureha	Increased sales volume	32	Decreased unit sales price	-21	
	Decreased unit price of purchased products, raw materials and fuels	25	Increased manufacturing fixed costs	-16	
	Gain on foreign exchange	2	Increased direct marketing costs	-3	
			Increased general and administrative costs	-15	
			Differing inventories levels	-22	
			Financial balance	-1	
		59	-78	-18.9	
Consolidated subsidiaries	Domestic advanced materials business	1	Overseas advanced materials business	-4	
	Domestic specialty plastics business	1	Overseas specialty plastics business	-1	
			Others	-8	
		2	-14	-12.6	
Equity-method affiliates			Nangtong SKT New Materials Co., Ltd.	-2.0	-2

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Breakdown of Extraordinary Income/Losses

KUREHA CORPORATION

(Unit:100 million yen)

		FY2007		FY2008				FY2009(est.)			
				Amount		Increase/Decrease		Amount		Increase/Decrease	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Extraordinary income	Income from sales of investment securities	15.5	11.8	-	-	-15.5	-11.8	-	-	-	-
	Gain on sales of fixed assets	0.3	0.0	0.8	-	0.6	-	-	-	-0.8	-
	Others	5.1	3.6	2.8	2.1	-2.3	-1.5	3.0	2.0	-2.8	-2.1
	Total	20.9	15.4	3.6	2.1	-17.3	-13.3	3.0	2.0	-0.6	-0.1
Extraordinary losses	Loss on elimination/sales of fixed assets	13.7	9.7	6.6	7.5	-7.1	-2.2	12.0	9.0	5.4	1.5
	Expense for recall products	10.4	9.1	-	-	-10.4	-9.1	-	-	-	-
	Appraisal loss on inventories	5.0	4.4	8.7	5.8	3.7	1.4	-	-	-8.7	-5.8
	Loss from write-down of securities	-	-	6.3	5.7	6.3	5.7	-	-	-6.3	-5.7
	Other appraisal losses	3.0	3.0	4.8	4.3	1.8	1.3	-	-	-4.8	-4.3
	Others	4.1	4.4	3.6	5.7	-0.5	1.3	3.0	3.0	-0.6	-2.7
Total	36.1	30.7	30.0	29.0	-6.1	-1.7	15.0	12.0	-15.0	-17.0	

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Cashflow

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2007		FY2008		FY2009(est.)	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cashflow from Operating activities	Pre-depreciation profit	213	146	163	146	170	134
	Increase/decrease in assets and liabilities	0	0	-12	0	-31	-31
	Payments of corporation tax	-42	-18	-37	-18	-12	-6
	Other-net	-21	-2	1	-2	14	19
		150	126	114	126	141	116
Cashflow from investing activities		-86	-87	-205	-87	-232	-151
Cashflow from financing activities		-48	-36	107	-36	92	31
Effect of exchange rate changes on cash and cash equivalents		0	0	-5	0	-	-
Increase in cash and cash equivalents following merger		-	-	-	-	-	-
Net increase/decrease in cash and cash equivalents due to change in scope of consolidation		2	-	-	-	-	-
Net increase/decrease in cash and cash equivalents		18	3	11	16	1	-4
Cash and cash equivalents at beginning of year		43	25	61	28	73	44
Cash and cash equivalents at end of year		61	28	73	44	74	40

KUREHA

3. Consolidated Net Sales and Operating Income by Segment

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

<Advanced Materials>

(Unit:100 million yen)

		FY2007	FY2008		FY2009(est.)				
			Amount	Increase/decrease	Amount	Increase/decrease			
Consolidated net sales	Kureha	Carbon products	77	78	1	2%	98	20	25%
		Advanced plastics	163	118	-45	-28%	106	-12	-10%
		Others	44	31	-12	-29%	26	-5	-16%
		Total	284	227	-56	-20%	230	3	1%
		Consolidated subsidiaries	216	※ 203	-13	-6%	220	17	8%
		Eliminations	-110	-106	4	-	-120	-14	-
	Total	389	324	-65	-17%	330	6	2%	
Consolidated operating income		44	7	-37	-85%	-10	-17	-	

※As of FY2008, Kureha Exttech Co., Ltd. section change: from Specialty Plastics to Advanced Materials.
(sales figure for FY2008 is JPY 1.8 billion)

KUREHA

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Specialty Chemicals >

(Unit:100 million yen)

			FY2007	FY2008		FY2009(est.)			
				Amount	Increase/decrease	Amount	Increase/decrease		
Consolidated net sales	Kureha	Industrial chemicals	104	103	-1	-1%	108	5	5%
		Agrochemicals	70	74	5	7%	64	-10	-14%
		Pharmaceuticals	86	101	15	18%	108	7	7%
	Total		260	279	19	7%	280	1	0%
	Consolidated subsidiaries		98	93	-5	-5%	90	-3	-3%
	Eliminations		-32	-32	-0	-	-30	2	-
Total		325	339	14	4%	340	0	0%	
Consolidated operating income			35	57	23	65%	49	-8	-15%

KUREHA

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Specialty Plastics >

(Unit:100 million yen)

			FY2007	FY2008		FY2009(est.)			
				Amount	Increase/decrease	Amount	Increase/decrease		
Consolidated net sales	Kureha	Food packaging materials	110	100	-10	-9%	114	14	14%
		Household products	214	229	15	7%	225	-4	-2%
		Fishing lines	15	10	-5	-32%	11	1	7%
		Others	17	20	3	20%	20	0	0%
	Total	357	360	3	1%	370	10	3%	
	Consolidated subsidiaries	※ 392	331	-61	-16%	320	-12	-3%	
	Eliminations	-261	-255	6	-2%	-250	5	-	
Total			488	435	-52	-11%	440	5	1%
Consolidated net income			34	17	-17	-51%	19	2	15%

※As of FY2008, Kureha Extech Co., Ltd. section change: from Specialty Plastics to Advanced Materials.
(sales figure for FY2007 is JPY 2.1 billion)

KUREHA

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Other Operations >

(Unit:100 million yen)

		FY2007	FY2008		FY2009(est.)			
			Amount	Increase/decrease	Amount	Increase/decrease		
Consolidated net sales	Environmental engineering business	68	65	-3	-4%	59	-6	-9%
	Construction-related business	260	348	88	34%	320	-28	-8%
	Transport and warehousing business	130	124	-6	-4%	118	-6	-5%
	Trading	18	19	0	3%	19	0	0%
	Others	30	32	2	6%	32	0	0%
	Total	506	588	82	16%	548	-40	-7%
	Eliminations	-210	-249	-39	-	-208	41	-
Total		296	339	43	15%	340	1	0%
Consolidated net income		16	21	5	30%	16	-5	-24%

KUREHA

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