

Results for the Year ended March 31, 2010

May 13, 2010

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1. Consolidated Companies

KUREHA CORPORATION

(Unit :100million yen)

		FY2008		FY2009		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
Kureha Corporation		866	1,442	856	1,468	-10	26
Nishiki Trading Co., Ltd. and one group company		294	104	286	121	-8	17
Advanced Materials	Kureha Corporation	227	-	208	-	-20	-
	Nishiki Trading Co., Ltd. and one group company	86	-	88	-	2	-
	Kakogawa Plastics Co., Ltd.	28	27	6	-	-22	-
	Kureha Extech Co., Ltd.	18	18	15	15	-3	-3
	Nihon Extron Co., Ltd.	13	16	10	16	-3	0
	Kureha GmbH	26	12	23	10	-4	-2
	Kureha America Inc. and two group company	21	81	14	136	-7	55
	Kureha Chemicals Shanghai Co., Ltd.	10	18	7	25	-3	7
Consolidation adjustments		-106	-	-87	-	19	-
Total		324	-	284	-	-40	-
Specialty Chemicals	Kureha Corporation	279	-	299	-	20	-
	Nishiki Trading Co., Ltd.	93	-	91	-	-2	-
	Consolidation adjustments	-32	-	-32	-	1	-
Total		339	-	358	-	19	-
Specialty Plastics	Kureha Corporation	360	-	349	-	-10	-
	Nishiki Trading Co., Ltd.	96	-	90	-	-6	-
	Kureha Gosen Co., Ltd.	24	19	20	17	-4	-1
	Kureha Plastics Co., Ltd.	140	81	130	78	-10	-3
	Krehalon Industrie B.V. and four group company	70	55	74	53	4	-2
	Kureha Vietnam	-	-	2	26	2	26
	Kureha Shanghai Trading Co., Ltd.	0	0	-	-	-	-
Consolidation adjustments		-255	-	-241	-	14	-
Total		435	-	424	-	-11	-

KUREHA

1. Consolidated Companies

KUREHA CORPORATION

(Unit: 100 million yen)

		FY2008		FY2009		Increase/Decrease	
		Net sales	Total assets	Net sales	Total assets	Net sales	Total assets
Other Operations	Kureha Ecology Management Co., Ltd.	50	41	36	56	-14	15
	Kureha Special Laboratory Co., Ltd.	15	7	14	7	-2	-0
	Kureha Engineering Co., Ltd.	146	69	132	49	-14	-20
	Kurehanishiki Construction Co., Ltd. and 3 group companies	202	114	153	71	-49	-43
	Kureha Unyu Co., Ltd. and 6 group companies	124	63	108	63	-17	-0
	Nishiki Trading Co., Ltd.	19	-	17	-	-2	-
	Kureha Service Co., Ltd.	7	45	7	44	0	-1
	Kureha Staff Service Co., Ltd.	26	7	28	8	2	1
Consolidation Adjustments		-249	-	-214	-	35	-
Total		339	-	279	-	-60	-
(Number of consolidated companies)		(34)		(33)			
Consolidation Total		1,437	1,822	1,346	1,846	-91	24
Equity-method affiliates	Nangtong SKT New Material Co., Ltd.	28		29		1	

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2. Fiscal 2009 Results and Fiscal 2010 Forecasts

Financial Highlights

KUREHA CORPORATION

(unit: 100million yen)

	FY2008			FY2009						FY2010(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		
Net sales	1,437	866	1.7	1,346	856	1.6	-91	-6%	-10	-1%	(620)	(390)	1.6	54	4.0%	4	0.5%
Operating income	95	72	1.3	57	44	1.3	-37	-39%	-28	-40%	(13)	(9)	1.5	3	5.3%	-4	-9.1%
Recurring income	87	69	1.3	55	46	1.2	-32	-36%	-23	-34%	(10)	(9)	1.4	-5	-9.1%	-9	-19.6%
Net income	34	28	1.2	16	24	0.7	-18	-53%	-4	-13%	(6)	(22)	0.6	8	50.0%	16	66.7%
Total assets	1,822	1,442	1.3	1,846	1,468	1.3	24	1%	26	2%	※ () Estimates for first-half results						
Shareholders' equity	971	866	1.1	968	884	1.1	-3	0%	18	2%							
Net income per share	yen 18.75	yen 15.39	1.2	yen 8.77	yen 13.39	0.7	-9.98	-53%	-2.00	-13%							
Shareholder's equity per share(yen)	yen 533.45	yen 483.28	1.1	yen 538.1	yen 493.14	1.1	4.65	1%	9.86	2%							
Equity ratio	% 52.4	% 60.0	0.9	% 52.2	% 60.2	0.9	-0.2	-	0.2	-							

KUREHA

Key Indicators

KUREHA CORPORATION

(unit : 100 million yen)

	FY2008			FY2009						FY2010(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	178	117	1.5	169	67	2.5	-9	-5%	-50	-43%	155	91	1.7	-14	-8%	24	36%
Depreciation	103	80	1.3	111	90	1.2	8	8%	10	12%	110	84	1.3	-1	-1%	-6	-7%
R&D expenses	61	58	1.1	62	60	1.0	2	3%	2	3%	61	59	1.0	-1	-2%	-1	-2%
Interest-bearing debt	440	333	1.3	480	334	1.4	39	9%	1	0%	548	385	1.4	68	14%	51	15%
Net interest expense	0	8	-	-1	9	-	-1	-	0	2%	-3	5	-	-2	-	-4	-44%
Exchange rate	100.57yen/ \$、141.95yen/EUR			93yen/ \$、131yen/EUR						90yen/ \$、125yen/EUR							
Dividend per share	10.0 yen/year			10.0 yen /year						10.0 yen/year							
Employees	3,972	1,250	3.1	4,101	1,352	3.0	129	3%	102	8%	4,074	1,330	3.1	-27	-1%	-22	-2%

KUREHA

Balance Sheets

KUREHA CORPORATION

1. Assets

(Unit: 100 million yen)

	As of Mar. 31, 2009		As of Mar. 31, 2010		Increase/decrease	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cash and cash equivalents	73	44	72	47	-1	3
Accounts and notes receivable-trade	301	164	318	207	17	43
Inventories	257	190	207	152	-50	-38
Other current assets	55	74	58	79	3	6
Sub total	686	471	656	485	-30	14
Property, plant and equipment	774	532	818	504	44	-29
Intangible assets	11	7	10	6	-1	-1
Investments and other assets	352	432	362	474	11	42
Sub total	1,136	971	1,191	983	54	12
Total	1,822	1,442	1,846	1,468	24	26

2. Liabilities and net assets

(Unit: 100 million yen)

	As of Mar. 31, 2009		As of Mar. 31, 2010		Increase/decrease	
	Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Accounts and notes payable-trade	182	62	168	67	-14	6
Interest-bearing debt	440	333	480	334	39	1
Reserves	48	13	39	14	-9	1
Other liabilities	181	168	191	168	10	1
Sub total	851	576	878	584	27	8
Common stock	125	125	125	125	0	0
Capital reserves	100	102	99	102	-1	0
Retained earnings	728	616	725	622	-3	6
Treasury stock, at cost	-13	-13	-13	-13	0	0
Valuation and translation adjustment	16	36	28	48	12	12
Share warrant	0	0	1	1	0	0
Minority interests	15	-	3	-	-11	-
Sub total	971	866	968	884	-2	18
Total	1,822	1,442	1,846	1,468	24	26

KUREHA

Analysis of Recurring Income

KUREHA CORPORATION

(Unit:100 million yen)

		FY2008		FY2009		Change
Recurring income	Kureha	68.9	80%	45.7	83%	-23.2
	Consolidated subsidiaries	27.6	32%	18.8	34%	-8.8
	Equity-method affiliates	3.1	4%	2.9	5%	-0.1
	Consolidation adjustments	-13.0	-15%	-12.4	-23%	0.6
	計	86.5	100%	55.0	100%	-31.5

Reason for earnings increase/decrease

	Reason for increase		Reason for decrease		Total
	Item	Amount	Item	Amount	
Kureha	Increased unit sales price	13	Decreased sales volume	-25	
	Decreased unit price of purchased products, raw materials and fuels	15	Differing inventories levels	-17	
	Decreased direct marketing costs	1	Increased manufacturing fixed costs	-4	
	Gain on foreign exchange	2	Increased general and administrative costs	-1	
			Increased R&D costs	-2	
			Others	-5	
		31	-54	-23.2	
Consolidated subsidiaries	Domestic advanced materials business	1	Overseas advanced materials business	-10	
	Domestic chemicals business	1	Environmental engineering business	-2	
	Domestic specialty plastics business	2	Construction-related business	-4	
	Overseas specialty plastics business	2			
	Others	2			
		7		-16	

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Analysis of Recurring Income

KUREHA CORPORATION

(Unit:100 million yen)

		FY2009		FY2010(est.)		Change
Recurring income	Kureha	45.7	83%	37.0	74%	-8.7
	Consolidated subsidiaries	18.8	34%	19.0	38%	0.2
	Equity-method affiliates	2.9	5%	2.1	4%	-0.8
	Consolidation adjustments	-12.4	-23%	-8.1	-16%	4.3
	計	55.0	100%	50.0	100%	-5.0

Reason for earnings increase/decrease

	Reason for increase		Reason for decrease		Total
	Item	Amount	Item	Amount	
Kureha	Increased sales volume	7	Decreased unit sales price	-14	
	Differing inventories levels	16	Decreased unit price of purchased	-7	
	Decreased R&D	1	Increased direct marketing costs	-2	
			Increased general and administrative costs	-4	
			Financial balance	-4	
			Others	-1	
		24	-32	-8.7	
Consolidated subsidiaries	Domestic advanced materials business	1	Others	-5	
	Overseas specialty plastics business	4			
		5	-5	0.2	

KUREHA

Breakdown of Extraordinary Income/Losses

KUREHA CORPORATION

(Unit:100 million yen)

		FY2008		FY2009				FY2010(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	-	-	2.1	5.4	2.1	5.4	2.0	10.0	-0.1	4.6
	Gain on sales of fixed assets	0.8	-	1.0	-	0.2	-	-	-	-1.0	-
	Others	2.8	2.1	4.1	0.2	1.3	-1.9	2.0	15.0	-2.1	14.8
	Total	3.6	2.1	7.2	5.6	3.6	3.5	4.0	25.0	-3.2	19.4
losses	Loss on elimination/sales of fixed assets	6.6	7.5	15.5	10.2	8.9	2.8	12.0	10.0	-3.5	-0.2
	Environment-related provisions	-	-	1.7	1.5	1.7	1.5	-	-	-1.7	-1.5
	Appraisal loss on inventories	8.7	5.8	-	-	-8.7	-5.8	-	-	-	-
	Loss from write-down of securities	6.3	5.7	-	-	-6.3	-5.7	-	-	-	-
	Other appraisal losses	4.8	4.3	1.2	-	-3.6	-4.3	-	-	-1.2	-
	Withdrawal loss business	-	-	5.8	5.8	5.8	5.8	-	-	-5.8	-5.8
	Others	3.6	5.7	3.3	2.6	-0.3	-3.1	2.0	-	-1.3	-2.5
Total	30.0	29.0	27.5	20.1	-2.5	-8.9	14.0	10.0	-13.5	-10.1	

KUREHA

(Unit: 100 million yen)

		FY2008		FY2009		FY2010(est.)	
		Consolidated	Non-consolidated	Consolidated	Non-consolidated	Consolidated	Non-consolidated
Cashflow from Operating activities	Pre-depreciation profit	163	122	146	121	150	136
	Increase/decrease in assets and liabilities	-12	-23	16	4	-50	-22
	Payments of corporation tax	-37	-19	-12	-5	-17	-13
	Other-net	0	17	8	14	0	-15
		114	97	158	134	83	86
Cashflow from investing activities		-205	-160	-177	-114	-148	-119
Cashflow from financing activities		107	79	20	-17	52	19
Effect of exchange rate changes on cash and cash equivalents		-5	0	-3	0	-	-
Increase in cash and cash equivalents due to newly consolidated subsidiaries		-	-	0	-	-	-
Increase in cash and cash equivalents following merger		-	-	-	-	-	0
Net increase/decrease in cash and cash equivalents		11	16	-1	3	-13	-14
Cash and cash equivalents at beginning of year		61	28	73	44	72	47
Cash and cash equivalents at end of year		73	44	72	47	59	33

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)

		FY2008	FY2009		FY2010(est.)				
			Amount	Increase/decrease	Amount	Increase/decrease			
Consolidated net sales	Kureha	Carbon products	78	54	-24	-31%	64	10	18%
		Advanced plastics	118	128	10	8%	145	17	14%
		Others	31	26	-5	-18%	31	5	21%
		Total	227	208	-20	-9%	240	32	16%
		Consolidated subsidiaries	203	164	-40	-19%	170	7	4%
		Eliminations	-106	-87	19	-	-90	-3	-
		Total	324	284	-40	-12%	320	36	13%
Consolidated operating income		7	-36	-43	-	-18	18	-	

KUREHA

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Specialty Chemicals >

(Unit:100 million yen)

		FY2008	FY2009		FY2010(est.)				
			Amount	Increase/decrease	Amount	Increase/decrease			
Consolidated net sales	Kureha	Industrial chemicals	103	102	-1	-1%	100	-2	-2%
		Agrochemicals	74	69	-5	-7%	80	11	15%
		Pharmaceuticals	101	127	26	26%	100	-27	-21%
		Total	279	299	20	7%	280	-19	-6%
		Consolidated subsidiaries	93	91	-2	-2%	90	-1	-1%
		Eliminations	-32	-32	1	-	-40	-8	-
	Total	339	358	19	6%	330	-28	-8%	
Consolidated operating income		57	66	9	15%	42	-24	-37%	

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Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Specialty Plastics >

(Unit:100 million yen)

			FY2008	FY2009		FY2010(est.)			
				Amount	Increase/decrease	Amount	Increase/decrease		
Consolidated net sales	Kureha	Food packaging materials	100	108	8	8%	114	6	6%
		Household products	229	215	-14	-6%	198	-17	-8%
		Fishing lines	10	13	3	27%	11	-2	-16%
		Others	20	13	-7	-36%	17	4	30%
	Total	360	349	-10	-3%	340	-9	-3%	
	Consolidated subsidiaries	331	316	-15	-5%	260	-56	-18%	
	Eliminations	-255	-241	14	-	-150	91	-	
Total			435	424	-11	-3%	450	26	6%
Consolidated net income			17	19	3	18%	31	12	59%

KUREHA

Consolidated Net Sales and Operating Income by Segment

KUREHA CORPORATION

< Other Operations >

(Unit:100 million yen)

		FY2008	FY2009		FY2010(est.)			
			Amount	Increase/decrease	Amount	Increase/decrease		
Consolidated net sales	Environmental engineering business	65	50	-15	-23%	65	15	31%
	Construction-related business	348	285	-63	-18%	270	-15	-5%
	Transport and warehousing business	124	108	-16	-13%	108	0	0%
	Trading	19	17	-2	-9%	16	-1	-5%
	Others	32	34	2	6%	26	-8	-25%
	Total	588	494	-94	-16%	485	-9	-2%
	Eliminations	-249	-214	35	-	-185	29	-
Total		339	279	-60	-18%	300	21	7%
Consolidated net income		21	14	-7	-33%	9	-5	-35%

KUREHA

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