

Fiscal quarter ended December 2006

– supplementary financial summary –

January 31, 2007

Asahi Kasei Corporation

Consolidated results for fiscal quarter ended Dec. 2006

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Consolidated results for fiscal quarter ended Dec. 2006

Summary of financial results

(¥ billion)

	2005		2006	
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec. [a]
Net sales	372.3	1,090.7	418.2	1,187.1
Operating profit	34.2	81.6	43.5	94.2
Ordinary profit	33.5	80.8	44.8	93.5
Net income	21.2	46.6	27.9	56.9

Oct.–Dec. 2005 vs. 2006		Apr.–Dec. 2005 vs. 2006	
Increase (decrease)	% change	Increase (decrease)	% change
45.9	+12.3%	96.3	+8.8%
9.3	+27.3%	12.6	+15.4%
11.2	+33.5%	12.7	+15.8%
6.7	+31.5%	10.3	+22.0%

% of forecast [a/b]	FY2006 forecast in Oct. [b]
73.6%	1,612.0
81.9%	115.0
83.5%	112.0
88.8%	64.0

Key operating factors

Naphtha price (¥/kL, domestic)	47,300	41,100	48,000	50,300
¥/US\$ exchange rate (market average)	117	112	118	116

	At end of March 2006	At end of Dec. 2006	Increase (decrease)
Total assets	1,376.0	1,485.1	109.1
Equity	594.2	636.5	42.3
Interest-bearing debt	235.8	246.7	10.8
Debt/equity ratio	0.40	0.39	(0.01)

* Equity at end of Mar. 2006 is the same as shareholders' equity. Equity at end of Dec. 2006 comprises shareholders' equity and valuation, translation adjustment and others.

Statements of income

AsahiKASEI

(¥ billion)

	2005				2006				Oct.–Dec. 2005 vs. 2006		Apr.–Dec. 2005 vs. 2006	
	Oct.–Dec.		Apr.–Dec.		Oct.–Dec.		Apr.–Dec.		Increase (decrease)	% change	Increase (decrease)	% change
		% of sales		% of sales		% of sales		% of sales				
Net sales	372.3	100.0%	1,090.7	100.0%	418.2	100.0%	1,187.1	100.0%	45.9	+12.3	96.3	+8.8
Cost of sales	274.2	73.7%	815.4	74.8%	307.4	73.5%	891.9	75.1%	33.1	+12.1	76.5	+9.4
Gross profit	98.0	26.3%	275.4	25.2%	110.8	26.5%	295.2	24.9%	12.8	+13.0	19.8	+7.2
Selling, general and administrative expenses	63.9	17.1%	193.7	17.7%	67.3	16.1%	201.0	17.0%	3.4	+5.4	7.3	+3.8
Operating profit	34.2	9.2%	81.6	7.5%	43.5	10.4%	94.2	7.9%	9.3	+27.3	12.6	+15.4
Non-operating expenses	(0.6)	/	(0.8)	/	1.3	/	(0.7)	/	1.9	/	0.2	/
of which,												
financing income and expense	(0.4)	/	(0.5)	/	(0.3)	/	(0.4)	/	0.1	/	0.1	/
equity in net earnings of unconsolidated subsidiaries and affiliates	0.4	/	1.0	/	1.3	/	1.9	/	1.0	/	0.8	/
Ordinary profit	33.5	9.0%	80.8	7.4%	44.8	10.7%	93.5	7.9%	11.2	+33.5	12.7	+15.8
Special gains and losses	0.8	/	(5.9)	/	0.3	/	(2.5)	/	(0.5)	/	3.3	/
Income before income taxes and minority interest	34.4	9.2%	74.9	6.9%	45.1	10.8%	91.0	7.7%	10.7	+31.1	16.1	+21.4
Income taxes	(13.0)	/	(28.1)	/	(17.0)	/	(33.7)	/	(4.0)	/	(5.7)	/
Minority interest in income of consolidated subsidiaries	(0.1)	/	(0.3)	/	(0.1)	/	(0.4)	/	(0.0)	/	(0.1)	/
Net income	21.2	5.7%	46.6	4.3%	27.9	6.7%	56.9	4.8%	6.7	+31.5	10.3	+22.0

Balance sheets

(¥ billion)

	At end of Mar. 2006	At end of Dec. 2006	Increase (decrease)		At end of Mar. 2006	At end of Dec. 2006	Increase (decrease)
Current assets	644.2	738.4	94.2	Liabilities	774.9	841.0	66.1
Cash on hand and in banks	86.4	85.1	(1.3)	Current liabilities	439.7	530.8	91.1
Notes and accounts receivable, trade	269.5	317.5	48.0	Long-term liabilities	335.2	310.2	(25.0)
Inventories	214.1	255.7	41.7	Minority interest in consolidated subsidiaries	6.9		
Other current assets	74.2	80.1	5.9	Shareholders' equity	594.2		
Fixed assets	731.9	746.7	14.8	Common stock	103.4		
Property, plant and equipment	414.4	432.3	18.0	Capital surplus	79.4		
Intangible fixed assets	33.1	28.8	(4.3)	Retained earnings	342.4		
Investments and other assets	284.4	285.5	1.1	Others	86.3		
				Treasury stock, at cost	(17.3)		
				Total liabilities and shareholders' equity	1,376.0		
				Net assets		644.1	
				Shareholders' equity		550.2	
				Common stock		103.4	
				Capital surplus		79.4	
				Retained earnings		385.1	
				Treasury stock, at cost		(17.8)	
				Valuation, translation adjustment and others		86.3	
				Minority interest in consolidated subsidiaries		7.6	
Total assets	1,376.0	1,485.1	109.1	Total liabilities and net assets		1,485.1	

Cash flows

(¥ billion)

	2005		2006	
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec.
a. Cash flows from operating activities	4.0	37.2	22.6	70.3
b. Cash flows from investing activities	(14.0)	(41.5)	(28.7)	(69.6)
c. Free cash flows [a+b]	(9.9)	(4.3)	(6.0)	0.7
d. Cash flows from financing activities	25.8	12.1	(2.1)	(4.2)
e. Effect of exchange rate changes on cash and cash equivalents	0.1	0.2	0.2	0.3
f. Net decrease in cash and cash equivalents [c+d+e]	16.0	8.1	(7.9)	(3.2)

g. Cash and cash equivalents at beginning of year	60.8	68.5	93.4	86.4
h. Cash and cash equivalents held by newly consolidated subsidiaries	–	0.1	–	2.2
I. Cash and cash equivalents at end of year [f+g+h]	76.7	76.7	85.4	85.4

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Sales and operating profit by segment, Oct.–Dec. 2005 and 2006

(¥ billion)

	Sales			Operating profit		
	Oct.–Dec. 2005	Oct.–Dec. 2006	Increase (decrease)	Oct.–Dec. 2005	Oct.–Dec. 2006	Increase (decrease)
Chemicals	171.3	188.8	17.4	14.1	16.4	2.3
Homes	90.3	106.6	16.3	6.0	8.9	2.9
Pharma	27.4	29.7	2.3	4.4	7.1	2.8
Fibers	22.0	27.0	5.0	0.8	1.4	0.6
Electronics Materials & Devices	27.2	29.3	2.1	6.1	6.2	0.1
Construction Materials	15.5	17.1	1.5	1.8	2.3	0.5
Life & Living	14.3	14.6	0.3	2.0	2.1	0.1
Services, Engineering and Others	4.3	5.1	0.8	0.5	0.7	0.2
Corporate Expenses and Eliminations	–	–	–	(1.5)	(1.6)	(0.1)
Consolidated	372.3	418.2	45.9	34.2	43.5	9.3

Sales and operating profit by segment, Apr.–Dec. 2005 and 2006

(¥ billion)

	Sales			Operating profit		
	Apr.–Dec. 2005	Apr.–Dec. 2006	Increase (decrease)	Apr.–Dec. 2005	Apr.–Dec. 2006	Increase (decrease)
Chemicals	490.1	556.2	66.1	34.3	37.0	2.6
Homes	275.6	275.7	0.1	14.4	14.3	(0.1)
Pharma	81.0	80.9	(0.1)	10.0	14.4	4.4
Fibers	65.5	77.6	12.1	3.1	2.7	(0.4)
Electronics Materials & Devices	76.0	85.7	9.7	14.4	18.5	4.1
Construction Materials	43.9	47.6	3.7	3.7	4.9	1.2
Life & Living	41.0	41.3	0.3	4.5	4.3	(0.2)
Services, Engineering and Others	17.7	22.0	4.3	1.8	3.0	1.3
Corporate Expenses and Eliminations	–	–	–	(4.6)	(4.8)	(0.2)
Consolidated	1,090.7	1,187.1	96.3	81.6	94.2	12.6
Overseas sales	275.5	315.4				
Percent of total	25.3%	26.6%				

Sales increases/decreases by segment, Oct.–Dec. 2006 vs. 2005

(¥ billion)

	Oct.–Dec. 2005	Oct.–Dec. 2006	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	171.3	188.8	9.1	12.5	0.6	(4.2)	17.4
Homes	90.3	106.6	4.8	0.7	–	10.8	16.3
Pharma	27.4	29.7	1.8	(1.5)	0.2	2.0	2.3
Fibers	22.0	27.0	1.3	0.4	0.1	3.3	5.0
Electronics Materials & Devices	27.2	29.3	4.9	(2.8)	0.0	0.0	2.1
Construction Materials	15.5	17.1	1.1	0.4	–	0.0	1.5
Life & Living	14.3	14.6	0.2	0.1	0.0	0.0	0.3
Services, Engineering and Others	4.3	5.1	0.8	0.0	0.0	0.0	0.8
Total	372.3	418.2	24.2	9.9	0.9	11.9	45.9

Operating profit increases/decreases by segment, Oct.–Dec. 2006 vs. 2005

(¥ billion)

	Oct.–Dec. 2005	Oct.–Dec. 2006	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	14.1	16.4	1.0	12.5	0.6	(11.3)	2.3
Homes	6.0	8.9	1.7	0.7	–	0.5	2.9
Pharma	4.4	7.1	1.6	(1.5)	0.2	2.7	2.8
Fibers	0.8	1.4	0.3	0.4	0.1	(0.2)	0.6
Electronics Materials & Devices	6.1	6.2	2.4	(2.8)	0.0	0.5	0.1
Construction Materials	1.8	2.3	0.2	0.4	–	(0.1)	0.5
Life & Living	2.0	2.1	0.0	0.1	0.0	(0.1)	0.1
Services, Engineering and Others	0.5	0.7	0.3	0.0	0.0	(0.1)	0.2
Corporate expenses and eliminations	(1.5)	(1.6)	0.0	0.0	0.0	(0.1)	(0.1)
Total	34.2	43.5	7.6	9.9	0.9	(8.1)	9.3

Sales increases/decreases by segment, Apr.–Dec. 2006 vs. 2005

(¥ billion)

	Apr.–Dec. 2005	Apr.–Dec. 2006	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	490.1	556.2	20.8	39.4	4.9	5.9	66.1
Homes	275.6	275.7	(0.9)	4.7	–	(3.7)	0.1
Pharma	81.0	80.9	0.9	(4.0)	0.5	3.0	(0.1)
Fibers	65.5	77.6	4.3	0.7	0.5	7.1	12.1
Electronics Materials & Devices	76.0	85.7	17.4	(7.7)	0.6	0.0	9.7
Construction Materials	43.9	47.6	2.7	1.0	–	0.0	3.7
Life & Living	41.0	41.3	(0.0)	0.4	0.0	0.0	0.3
Services, Engineering and Others	17.7	22.0	4.3	0.0	0.0	0.0	4.3
Total	1,090.7	1,187.1	49.6	34.4	6.4	12.3	96.3

Operating profit increases/decreases by segment, Apr.–Dec. 2006 vs. 2005

(¥ billion)

	Apr.–Dec. 2005	Apr.–Dec. 2006	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	34.3	37.0	3.4	39.4	4.9	(40.2)	2.6
Homes	14.4	14.3	(0.1)	4.7	–	(4.7)	(0.1)
Pharma	10.0	14.4	2.4	(4.0)	0.5	6.0	4.4
Fibers	3.1	2.7	0.8	0.7	0.5	(1.9)	(0.4)
Electronics Materials & Devices	14.4	18.5	8.4	(7.7)	0.6	3.4	4.1
Construction Materials	3.7	4.9	0.3	1.0	–	(0.1)	1.2
Life & Living	4.5	4.3	(0.1)	0.4	0.0	(0.5)	(0.2)
Services, Engineering and Others	1.8	3.0	1.6	0.0	0.0	(0.4)	1.3
Corporate expenses and eliminations	(4.6)	(4.8)	0.0	0.0	0.0	(0.2)	(0.2)
Total	81.6	94.2	16.7	34.4	6.4	(38.5)	12.6

Forecast for fiscal year 2006

Consolidated operating performance

(¥ billion)

	FY 2005	FY 2006 forecast in Oct.	FY 2006 revised forecast			
			1st half	2nd half		Total
				Oct.-Dec.	forecast	
Net sales	1,498.6	1,612.0	768.9	418.2	848.1	1,617.0
Operating profit	108.7	115.0	50.7	43.5	74.3	125.0
Ordinary profit	104.2	112.0	48.8	44.8	72.2	121.0
Net income	59.7	64.0	29.0	27.9	39.0	68.0

Key operating factors

Naphtha price (¥/kL, domestic)	42,350	50,800	51,450	48,000	47,750	49,600
¥/US\$ exchange rate (market average)	113	115	115	118	116	116

Dividends per share	¥10	¥11 (planned)	→	¥12 (planned)
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Sales forecast by segment

(¥ billion)

	FY 2005	FY 2006 forecast in Oct. [a]	FY 2006 revised forecast				Increase (decrease) [b-a]
			1st half	2nd half		Total [b]	
				Oct.-Dec.	forecast		
Chemicals	660.4	731.0	367.5	188.8	376.5	744.0	13.0
Homes	404.5	410.0	169.1	106.6	237.9	407.0	(3.0)
Pharma	105.8	107.0	51.1	29.7	52.9	104.0	(3.0)
Fibers	89.7	107.0	50.6	27.0	56.4	107.0	–
Electronics Materials & Devices	102.9	115.0	56.4	29.3	56.6	113.0	(2.0)
Construction Materials	56.5	61.0	30.6	17.1	31.4	62.0	1.0
Life & Living	51.9	54.0	26.7	14.6	26.3	53.0	(1.0)
Services, Engineering and Others	26.8	27.0	16.9	5.1	10.1	27.0	–
Consolidated	1,498.6	1,612.0	768.9	418.2	848.1	1,617.0	5.0

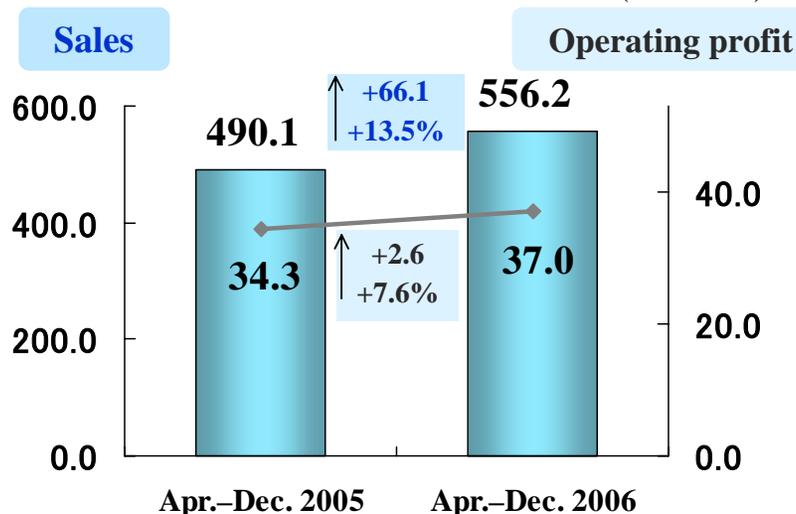
Operating profit forecast by segment

(¥ billion)

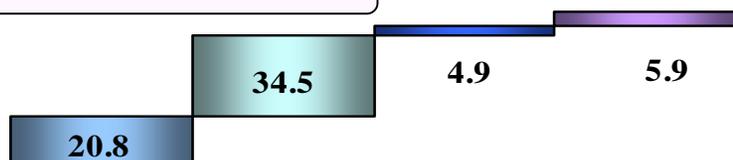
	FY 2005	FY 2006 forecast in Oct. [a]	FY 2006 revised forecast				Increase (decrease) [b-a]
			1st half	2nd half		Total [b]	
				Oct.-Dec.	forecast		
Chemicals	40.5	41.0	20.5	16.4	28.0	48.5	7.5
Homes	28.2	30.0	5.4	8.9	23.1	28.5	(1.5)
Pharma	11.1	12.5	7.2	7.1	7.8	15.0	2.5
Fibers	4.0	3.5	1.3	1.4	2.2	3.5	–
Electronics Materials & Devices	19.3	23.0	12.4	6.2	10.6	23.0	–
Construction Materials	3.8	4.5	2.5	2.3	2.5	5.0	0.5
Life & Living	4.8	4.5	2.2	2.1	2.3	4.5	–
Services, Engineering and Others	3.3	4.0	2.3	0.7	1.7	4.0	–
Corporate Expenses and Eliminations	(6.3)	(8.0)	(3.2)	(1.6)	(3.8)	(7.0)	1.0
Consolidated	108.7	115.0	50.7	43.5	74.3	125.0	10.0

Appendix

(¥ billion)



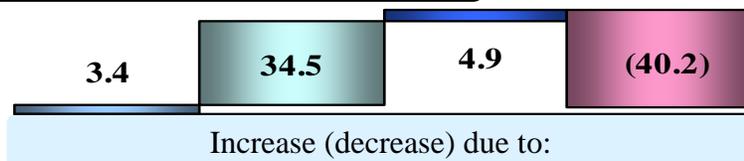
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating profit increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Review of operations

Higher feedstock costs and product price increases in volume products. Increased shipments of specialty products. Sales and operating profit increase.

Volume products:

Increased sales prices overcame higher feedstock costs. Increased profitability in the nylon-related operations of adipic acid and Leona™ nylon 66 resin and filament. Sales and operating profit increase.

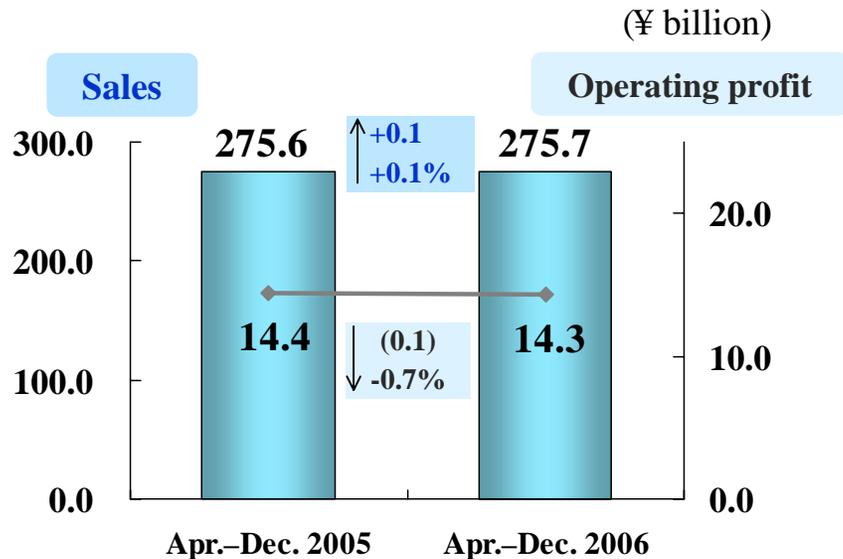
Specialty products:

Increased shipments of Hipore™ Li-ion rechargeable battery separators. Sales growth for membrane-process salt electrolysis systems in China and ion-exchange membranes. Sales and operating profit increase.

Highlights

- Nov., technology for decomposition of N₂O recognized with Environment Minister's Award for prevention of global warming.
- Dec., project to use SDA pitch for power generation in Mizushima selected for NEDO (New Energy and Industrial Technology Development Organization) support for energy conservation.

Homes (i)



Review of operations

Fewer deliveries of order-built unit homes and condominium units. Growth in housing-related operations such as remodeling and real estate. Sales and operating profit on par with the same period of a year ago.

Value of home orders for the Apr. to Dec. period was 1.9% lower than in the same period a year ago; for the Oct. to Dec. period, 13% lower. Decreased orders from first-time buyers with higher land prices in urban areas; in contrast with a very strong Oct. to Dec. period in 2005.

Results by product category*

(¥ billion)

	Apr.-Dec. 2005		Apr.-Dec. 2006		Increase (decrease)	
	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
Order-built homes	211.9		210.1		(1.8)	
Pre-built homes	25.7		22.0		(3.7)	
Others†	0.7		0.7		0.0	
Total homes	238.3	11.5	232.8	10.7	(5.5)	(0.8)
Housing-related	37.3	2.9	42.9	3.6	5.6	0.7
Total	275.6	14.4	275.7	14.3	0.1	(0.1)

* Product category division unaudited, simplified calculation.

† Including commissions on property insurance.

Highlights

- Nov., groundbreaking for housing R&D center in Fuji.
- Dec., market launch of Hebel Haus Luft™ long life homes with comfortable living space for the senior couple.

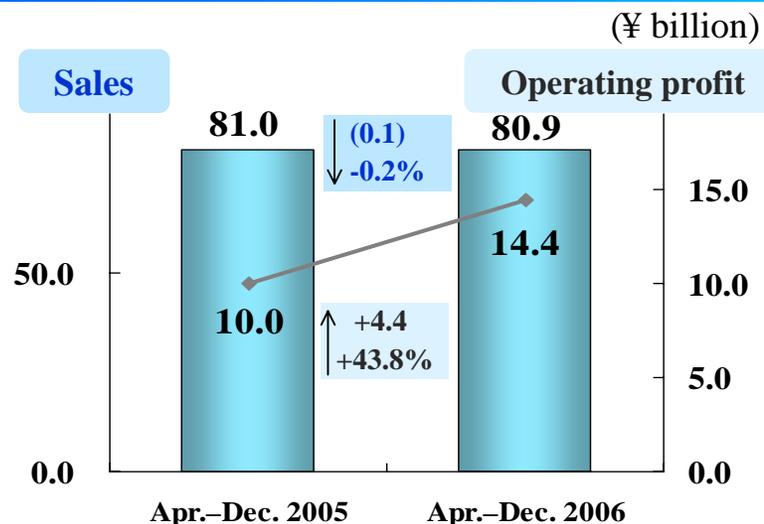
Homes (ii)

Sales and order trends

(¥ billion, % change from same period of previous year shown at right)

		Value of new orders during the term	Sales of order-built homes	Sales of pre-built homes	Other sales*	Unconsolidated	Consolidated subsidiaries	Consolidated	Order backlog
FY 02	H1	139.3 (-1.7%)	121.9 (-15.8%)	6.5 (-13.3%)	–	128.4 (-15.7%)	19.6 (+12.6%)	148.0 (-12.8%)	273.3
	H2	150.0 (+14.2%)	141.4 (-2.4%)	10.2 (+13.3%)	–	151.6 (-1.5%)	21.0 (+11.1%)	172.6 (-0.1%)	282.0
	annual	289.3 (+6.0%)	263.3 (-9.1%)	16.7 (+1.2%)	–	280.0 (-8.6%)	40.6 (+11.8%)	320.6 (-6.4%)	
FY 03	H1	161.4 (+15.9%)	121.2 (-0.6%)	5.2 (-17.8%)	0.5	126.9 (-1.3%)	20.9 (+6.6%)	147.8 (-0.1%)	322.2
	H2	156.7 (+4.5%)	159.9 (+13.1%)	30.8 (+200.9%)	0.6	191.2 (+26.0%)	22.3 (+6.2%)	213.5 (+23.7%)	319.0
	annual	318.1 (+9.9%)	281.1 (+6.8%)	36.0 (+117.0%)	1.1	318.2 (+13.5%)	43.1 (+6.2%)	361.3 (+12.7%)	
FY 04	H1	153.1 (-5.2%)	138.9 (+14.6%)	6.6 (+25.3%)	0.5	146.0 (+15.0%)	21.3 (+1.9%)	167.3 (+13.2%)	333.2
	H2	148.7 (-5.1%)	171.9 (+7.5%)	13.6 (-55.9%)	0.6	186.0 (-2.8%)	22.5 (+0.9%)	208.5 (-2.3%)	310.1
	annual	301.8 (-5.1%)	310.7 (+10.6%)	20.1 (-44.1%)	1.1	332.0 (+4.3%)	43.8 (+1.6%)	375.8 (+4.0%)	
FY 05	H1	150.4 (-1.7%)	140.2 (+0.9%)	20.5 (+213.0%)	0.4	161.1 (+10.4%)	24.3 (+14.1%)	185.3 (+10.8%)	320.4
	Q3	75.7 (+18.1%)	71.8 (-6.9%)	5.2 (+37.6%)	0.3	77.2 (-4.8%)	13.1 (+22.4%)	90.3 (-1.6%)	324.3
	H2	162.9 (+9.5%)	179.3 (+4.3%)	13.1 (-3.6%)	0.6	193.0 (+3.8%)	26.1 (+16.0%)	219.2 (+5.1%)	304.0
	annual	313.3 (+3.8%)	319.4 (+2.8%)	33.6 (+67.0%)	1.1	354.1 (+6.7%)	50.4 (+15.1%)	404.5 (+7.7%)	
FY 06	H1	156.1 (+3.7%)	134.7 (-3.9%)	6.0 (-70.9%)	0.5	141.1 (-12.4%)	28.0 (+15.2%)	169.1 (-8.7%)	325.3
	Q3	65.9 (-13.0%)	75.4 (+5.1%)	16.0 (+208.6%)	0.2	91.6 (+18.7%)	14.9 (+13.7%)	106.5 (+17.9%)	315.8
	H2 forecast	144.9 (-11.0%)	183.3 (+2.3%)	24.0 (+83.9%)	0.3	207.7 (+7.6%)	30.2 (+15.7%)	237.9 (+8.5%)	287.0
	annual	301.0 (-3.9%)	318.0 (-0.4%)	30.0 (-10.7%)	0.8	348.8 (-1.5%)	58.2 (+15.5%)	407.0 (+0.6%)	

* Including commissions on property insurance.



Review of operations

Pharmaceuticals:

Sales decrease due to reimbursement price reductions.
 Operating profit growth with income from licensing.

Devices:

In spite of reimbursement price reductions, sales and operating profit increase due to increased shipments of APS™ polysulfone-membrane artificial kidneys and Planova™ virus removal filters.

Highlights

- Dec., basic agreement with Kuraray Medical for integration of dialyzer and therapeutic apheresis device businesses in Oct. 07.

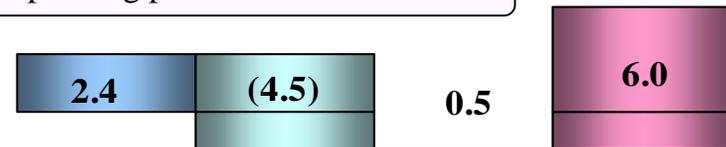
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating profit increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Sales of Asahi Kasei Pharma Corporation

(¥ billion)

		FY 2005			FY 2006		
		Oct.–Dec.	Apr.–Dec.	total	forecast		
					Oct.–Dec.	Apr.–Dec.	total
Pharmaceuticals		13.4	38.1	48.5	15.3	40.1	50.6
	Others	2.1	9.7	12.7	1.3	4.2	5.5
Non-consolidated		15.6	47.8	61.1	16.5	44.3	56.1
Asahi Kasei Medical		10.9	29.9	40.1	12.0	33.0	43.0
Others		0.9	3.3	4.6	1.2	3.6	4.9
Consolidated		27.4	81.0	105.8	29.7	80.9	104.0

Main pharmaceuticals domestic sales

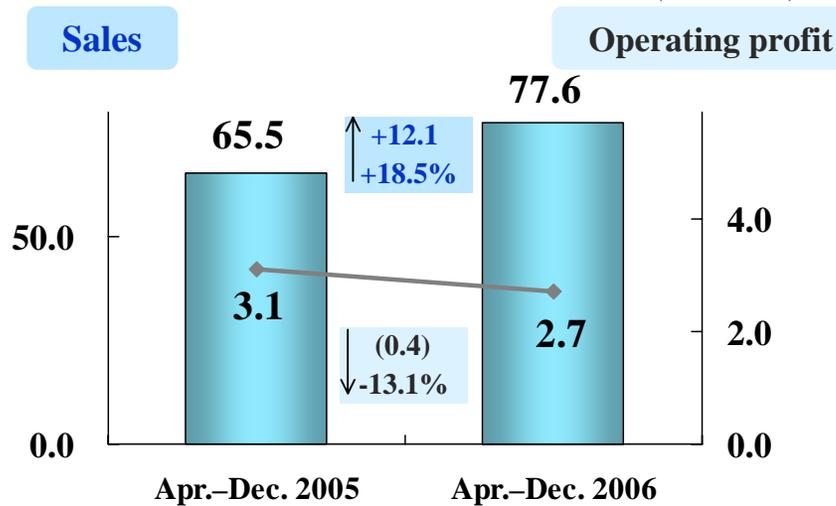
(¥ billion)

	FY 2005			FY 2006	
	Oct.–Dec.	Apr.–Dec.	total		
				Oct.–Dec.	Apr.–Dec.
Elcitonin TM	4.0	12.1	15.2	3.7	10.9
Bredinin TM	1.7	4.8	6.1	1.7	4.7
Flivas TM	2.6	7.1	9.1	2.6	7.2
Toledomin TM	1.7	4.8	6.2	1.8	4.8
Exacin TM	0.4	1.0	1.2	0.3	0.9
Ricamycin TM	0.3	0.6	0.7	0.2	0.4
Eril TM	0.5	1.2	1.5	0.5	1.1

Product pipeline

Development stage	Product	Objective	Class	Indication
Pending approval	ART-123 (Injection)	New biologic	Recombinant human thrombomodulin	Disseminated intravascular coagulation
	AK-120 (Oral)	New molecular entity	Antivirus	Shingles (zoster)
Phase III	AT-877 (Injection)	Additional indication	Rho-kinase inhibitor	Acute cerebral thrombosis
	PTH (Injection)	Additional indication	Synthetic human parathyroid hormone	Osteoporosis
Phase II	AT-877 (Oral)	New dosage form	Rho-kinase inhibitor	Angina pectoris
	KT-611 (Oral)	Additional indication	α -1 blocker	Neurogenic bladder

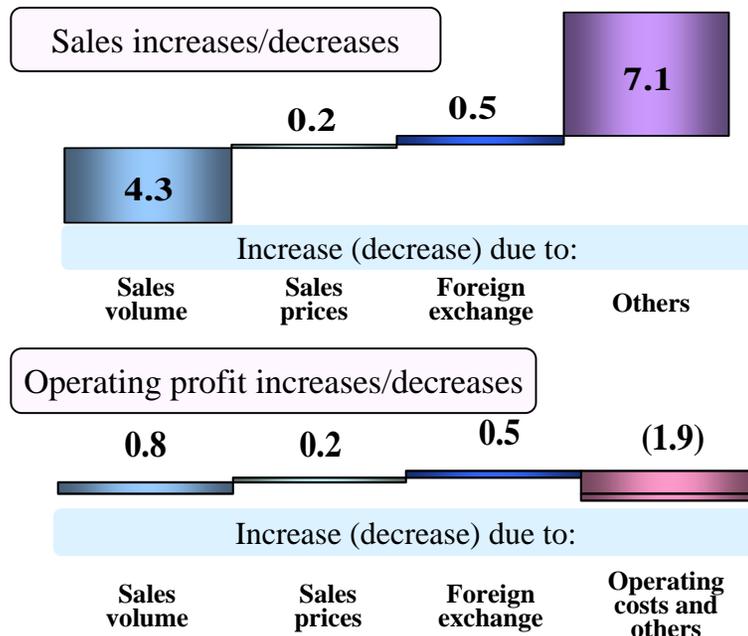
(¥ billion)

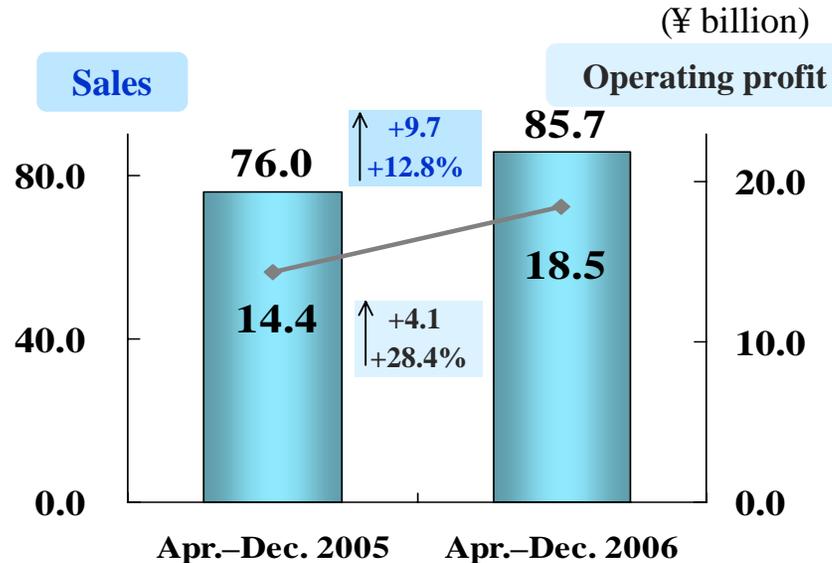


Review of operations

Product price increases to offset elevated feedstock costs. Increased shipments of Roica™ elastic polyurethane filament and Bemberg™ cupro fiber. Favorable exchange rates. Sales increase.

Operating profit decrease due to the effect of a tornado in Sep. in Nobeoka, Miyazaki, and the Dorlastan™ elastic polyurethane filament business acquired from Lanxess of Germany operating at a loss.





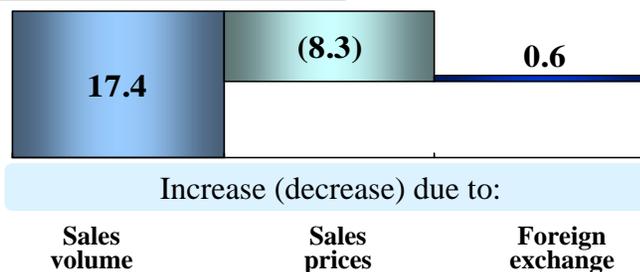
Review of operations

Product price decline with intensified competition. Decreased shipments in some application segments as consumer electronics manufacturers adjusted inventories. Sales and operating profit growth with generally strong demand for both electronic materials and electronic devices.

Highlights

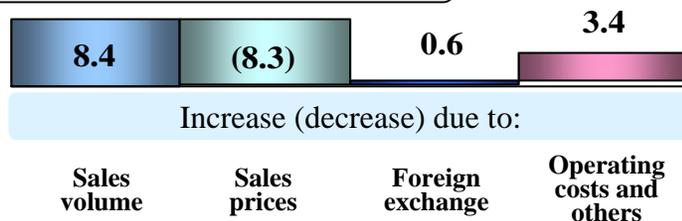
- Dec., start of new plant for compound semiconductor thin films in Fuji.

Sales increases/decreases

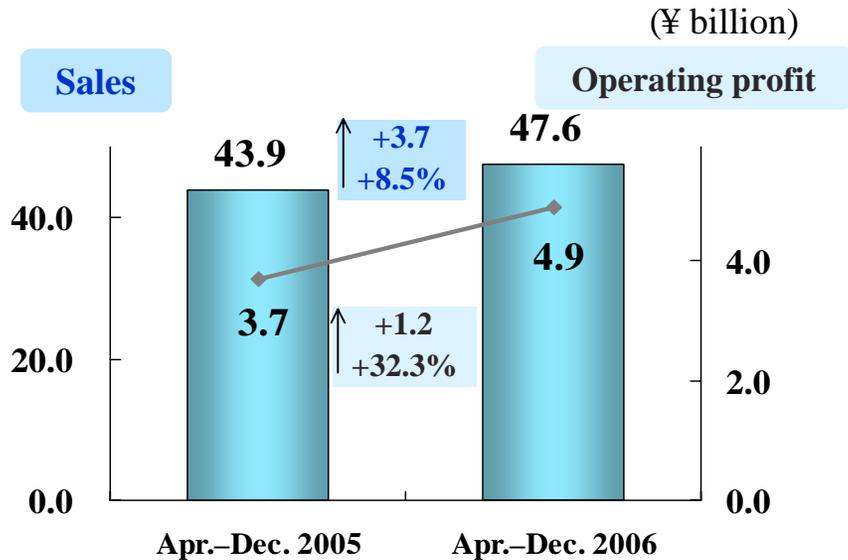


Increase (decrease) due to:

Operating profit increases/decreases



Increase (decrease) due to:



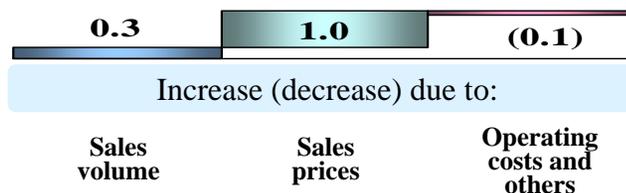
Review of operations

Healthy demand for Hebel™ autoclaved lightweight concrete (ALC) panels and Eazet™ piles for small-scale construction. Increased shipments of Neoma™ high-performance phenolic foam panels. Sales and operating profit increase.

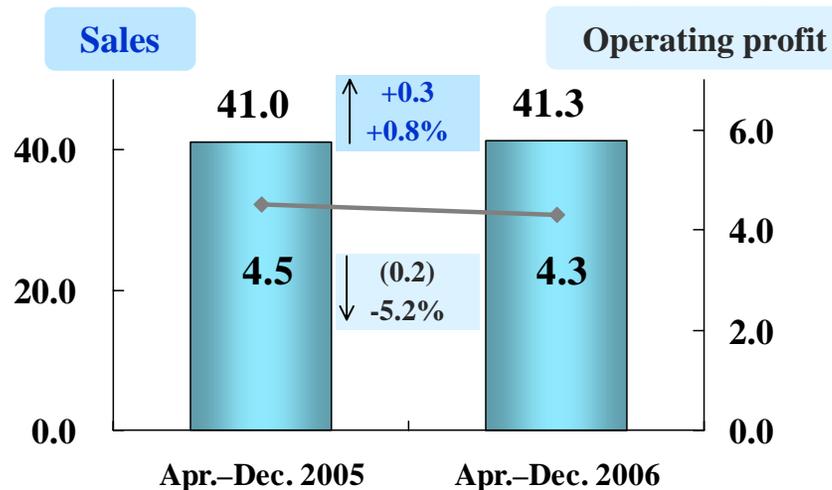
Sales increases/decreases



Operating profit increases/decreases



(¥ billion)



Review of operations

Increased shipments of Saran Wrap™ cling film and Saran™ fiber. Sales increase. Higher advertising expenses and elevated feedstock costs. Operating profit decrease.

Highlights

- Oct., decision to integrate with Chemicals in Apr. 07.
- Dec., market launch of Saran Wrap™ with second limited-edition packaging in Tohoku and Shikoku regions.

Sales increases/decreases

(0.0) 0.4 0.0

Increase (decrease) due to:

Sales volume Sales prices Others

Operating profit increases/decreases

(0.1) 0.4 (0.5)

Increase (decrease) due to:

Sales volume Sales prices Operating costs and others

– Disclaimer –

The forecasts and estimates shown in this document are dependent on a variety of assumptions and economic conditions. Plans and figures depicting the future do not imply a guarantee of actual outcomes.