

Fiscal quarter ended December 2008

– supplementary financial summary –

February 4, 2009

Asahi Kasei Corporation

Consolidated results for fiscal quarter ended Dec. 2008

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Consolidated results for fiscal quarter ended Dec. 2008

Summary of financial results

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(¥ billion)

	2007		2008		Oct.–Dec. 2007 vs. 2008		Apr.–Dec. 2007 vs. 2008		% of forecast [a/b]	FY 2008 forecast in Nov. [b]
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec. [a]	Increase (decrease)	% change	Increase (decrease)	% change		
Net sales	409.6	1,240.3	379.8	1,223.0	(29.7)	-7.3%	(17.3)	-1.4%	70.3%	1,739.0
Operating profit	34.4	98.1	9.9	50.1	(24.5)	-71.2%	(48.1)	-49.0%	52.7%	95.0
Ordinary profit	34.9	98.0	5.7	46.3	(29.2)	-83.7%	(51.7)	-52.7%	48.8%	95.0
Net income	23.4	61.4	1.6	25.0	(21.8)	-93.2%	(36.4)	-59.3%	45.4%	55.0

Key operating factors

Naphtha price (¥/kL, domestic)	61,600	59,700	52,200	69,600
¥/US\$ exchange rate (market average)	113	117	96	103

	At end of March 2008	At end of Dec. 2008	Increase (decrease)
Total assets	1,425.4	1,520.3	94.9
Equity	666.2	641.7	(24.6)
Interest-bearing debt	211.4	320.9	109.5
Debt/equity ratio	0.32	0.50	0.18

Statements of income

AsahiKASEI

(¥ billion)

	2007				2008				Oct.–Dec. 2007 vs. 2008		Apr.–Dec. 2007 vs. 2008	
	Oct.–Dec.		Apr.–Dec.		Oct.–Dec.		Apr.–Dec.		Increase (decrease)	% change	Increase (decrease)	% change
		% of sales		% of sales		% of sales		% of sales				
Net sales	409.6	100.0%	1,240.3	100.0%	379.8	100.0%	1,223.0	100.0%	(29.7)	-7.3	(17.3)	-1.4
Cost of sales	305.5	74.6%	932.7	75.2%	301.5	79.4%	959.5	78.5%	(4.0)	-1.3	26.8	+2.9
Gross profit	104.0	25.4%	307.6	24.8%	78.3	20.6%	263.5	21.5%	(25.7)	-24.7	(44.1)	-14.4
Selling, general and administrative expenses	69.6	17.0%	209.5	16.9%	68.4	18.0%	213.4	17.4%	(1.2)	-1.7	3.9	+1.9
Operating profit	34.4	8.4%	98.1	7.9%	9.9	2.6%	50.1	4.1%	(24.5)	-71.2	(48.1)	-49.0
Non-operating expenses	0.5	/	(0.1)	/	(4.2)	/	(3.7)	/	(4.7)	/	(3.6)	/
of which,												
financing income and expense	0.0	/	0.3	/	(0.0)	/	0.0	/	(0.1)	/	(0.3)	/
equity in net earnings of unconsolidated subsidiaries and affiliates	1.0	/	3.2	/	0.3	/	0.9	/	(0.7)	/	(2.4)	/
Ordinary profit	34.9	8.5%	98.0	7.9%	5.7	1.5%	46.3	3.8%	(29.2)	-83.7	(51.7)	-52.7
Special gains and losses	0.1	/	(6.3)	/	(1.1)	/	(2.5)	/	(1.2)	/	3.8	/
Income before income taxes and minority interest	35.0	8.5%	91.8	7.4%	4.5	1.2%	43.8	3.6%	(30.5)	-87.0	(47.9)	-52.2
Income taxes	(11.4)	/	(30.0)	/	(2.9)	/	(18.3)	/	8.5	/	11.6	/
Minority interest in income of consolidated subsidiaries	(0.2)	/	(0.5)	/	(0.0)	/	(0.5)	/	0.2	/	(0.1)	/
Net income	23.4	5.7%	61.4	4.9%	1.6	0.4%	25.0	2.0%	(21.8)	-93.2	(36.4)	-59.3

Balance sheets

(¥ billion)

	At end of Mar. 2008	At end of Dec. 2008	Increase (decrease)		At end of Mar. 2008	At end of Dec. 2008	Increase (decrease)
Current assets	740.1	814.9	74.9	Liabilities	751.2	870.7	119.5
Cash on hand and in banks	82.9	112.9	30.0	Current liabilities	513.4	628.1	114.6
Notes and accounts receivable, trade	298.8	273.4	(25.3)	Long-term liabilities	237.8	242.7	4.9
Inventories	272.4	324.9	52.5	Net assets	674.2	649.6	(24.6)
Other current assets	86.0	103.7	17.7	Shareholders' equity	613.0	619.2	6.2
Fixed assets	685.3	705.4	20.1	Common stock	103.4	103.4	–
Property, plant and equipment	424.2	440.5	16.3	Capital surplus	79.4	79.4	(0.0)
Intangible fixed assets	26.2	38.4	12.2	Retained earnings	432.2	438.5	6.3
Investments and other assets	234.9	226.5	(8.4)	Treasury stock, at cost	(2.0)	(2.1)	(0.1)
of which,				Valuation, translation adjustments and others	53.2	22.5	(30.8)
investment securities	191.0	168.3	(22.7)	Minority interest in consolidated subsidiaries	7.9	7.9	(0.0)
Total assets	1,425.4	1,520.3	94.9	Total liabilities and net assets	1,425.4	1,520.3	94.9

Cash flows

(¥ billion)

	2007		2008	
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec.
a. Cash flows from operating activities	(14.5)	29.1	14.4	41.6
b. Cash flows from investing activities	(8.5)	(40.6)	(31.1)	(99.1)
c. Free cash flows [a+b]	(23.0)	(11.5)	(16.7)	(57.5)
d. Cash flows from financing activities	37.5	(0.1)	70.6	90.9
e. Effect of exchange rate changes on cash and cash equivalents	(0.4)	(0.0)	(1.1)	(3.5)
f. Net decrease in cash and cash equivalents [c+d+e]	14.1	(11.6)	52.8	29.9
g. Cash and cash equivalents at beginning of period	76.0	101.7	60.1	83.0
h. Cash and cash equivalents at end [f+g]	90.1	90.1	112.9	112.9

Sales and operating profit by segment, Oct.–Dec. 2007 and 2008

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(¥ billion)

	Sales			Operating profit		
	Oct.–Dec. 2007	Oct.–Dec. 2008	Increase (decrease)	Oct.–Dec. 2007	Oct.–Dec. 2008	Increase (decrease)
Chemicals	216.4	169.8	(46.6)	19.0	(0.4)	(19.3)
Homes	84.8	112.1	27.3	3.2	7.7	4.5
Pharma	30.8	29.6	(1.3)	5.3	2.8	(2.5)
Fibers	27.1	24.4	(2.8)	1.8	(0.7)	(2.5)
Electronics Materials & Devices	29.2	21.9	(7.3)	5.5	0.2	(5.4)
Construction Materials	13.5	16.7	3.2	0.8	1.0	0.2
Services, Engineering and Others	7.7	5.4	(2.3)	0.7	1.0	0.3
Corporate Expenses and Eliminations	–	–	–	(1.9)	(1.8)	0.1
Consolidated	409.6	379.8	(29.7)	34.4	9.9	(24.5)
Overseas sales	122.5	87.7	(34.8)			
Percent of total	29.9%	23.1%	-6.8%			

Sales and operating profit by segment, Apr.–Dec. 2007 and 2008

AsahiKASEI

(¥ billion)

	Sales			Operating profit		
	Apr.–Dec. 2007	Apr.–Dec. 2008	Increase (decrease)	Apr.–Dec. 2007	Apr.–Dec. 2008	Increase (decrease)
Chemicals	662.8	623.0	(39.8)	55.1	18.1	(37.0)
Homes	251.7	282.4	30.6	8.1	10.8	2.7
Pharma	85.7	92.4	6.7	13.0	13.0	(0.1)
Fibers	84.1	80.2	(3.8)	5.2	0.9	(4.3)
Electronics Materials & Devices	86.8	77.7	(9.1)	17.0	8.4	(8.6)
Construction Materials	43.4	48.0	4.6	2.9	1.9	(1.0)
Services, Engineering and Others	25.8	19.3	(6.5)	3.5	4.1	0.6
Corporate Expenses and Eliminations	–	–	–	(6.7)	(7.1)	(0.4)
Consolidated	1,240.3	1,223.0	(17.3)	98.1	50.1	(48.1)
Overseas sales	376.3	324.6	(51.8)			
Percent of total	30.3%	26.5%	-3.8%			

Overseas sales by segment, Apr.–Dec. 2007 and 2008

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(¥ billion)

	Apr.- Dec. 2007			Apr.-Dec. 2008			Increase (decrease)	
	Total sales	Overseas sales	% of total	Total sales	Overseas sales	% of total		% change
Chemicals	662.8	276.2	41.7	623.0	236.9	38.0	(39.3)	-14.2
Homes	251.7	–	–	282.4	–	–	–	–
Pharma	85.7	21.2	24.7	92.4	21.8	23.6	0.6	+2.9
Fibers	84.1	29.8	35.4	80.2	27.2	34.0	(2.5)	-8.4
Electronics Materials & Devices	86.8	39.2	45.2	77.7	34.1	43.8	(5.1)	-13.1
Construction Materials	43.4	–	–	48.0	–	–	–	–
Services, Engineering and Others	25.8	10.0	39.0	19.3	4.6	23.8	(5.4)	-54.2
Total	1,240.3	376.3	30.3	1,223.0	324.6	26.5	(51.8)	-13.8
Sales to East Asia*		227.6	18.4		193.6	15.8	(34.0)	-15.0

Sales, excluding Homes and
Construction Materials

945.1 376.3 39.8 892.6 324.6 36.4

* China, Korea and Taiwan.

Sales increases/decreases by segment, Oct.–Dec. 2008 vs. 2007

(¥ billion)

	Oct.–Dec. 2007	Oct.–Dec. 2008	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	216.4	169.8	(40.9)	(1.6)	(4.7)	(4.1)	(46.6)
Homes	84.8	112.1	13.9	(2.8)	–	16.2	27.3
Pharma	30.8	29.6	1.2	(2.4)	(1.1)	0.0	(1.3)
Fibers	27.1	24.4	(2.7)	(0.1)	(1.0)	0.0	(2.8)
Electronics Materials & Devices	29.2	21.9	(4.9)	(2.2)	(1.4)	(0.2)	(7.3)
Construction Materials	13.5	16.7	2.7	0.6	–	0.0	3.2
Services, Engineering and Others	7.7	5.4	(2.3)	0.0	0.0	0.0	(2.3)
Total	409.6	379.8	(33.1)	(8.6)	(8.1)	11.9	(29.7)

Operating profit increases/decreases by segment, Oct.–Dec. 2008 vs. 2007

AsahiKASEI

(¥ billion)

	Oct.–Dec. 2007	Oct.–Dec. 2008	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	19.0	(0.4)	(6.9)	(1.6)	(4.7)	(10.8)	(19.3)
Homes	3.2	7.7	4.3	(2.8)	–	3.0	4.5
Pharma	5.3	2.8	2.0	(2.4)	(1.1)	(2.0)	(2.5)
Fibers	1.8	(0.7)	(0.9)	(0.1)	(1.0)	(1.5)	(2.5)
Electronics Materials & Devices	5.5	0.2	(1.7)	(2.2)	(1.4)	(1.5)	(5.4)
Construction Materials	0.8	1.0	0.4	0.6	–	(0.8)	0.2
Services, Engineering and Others	0.7	1.0	0.1	0.0	0.0	0.1	0.3
Corporate expenses and eliminations	(1.9)	(1.8)	–	–	–	0.1	0.1
Total	34.4	9.9	(2.6)	(8.6)	(8.1)	(13.3)	(24.5)

Sales increases/decreases by segment, Apr.–Dec. 2008 vs. 2007

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(¥ billion)

	Apr.–Dec. 2007	Apr.–Dec. 2008	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	662.8	623.0	(62.9)	20.0	(14.7)	3.1	(39.8)
Homes	251.7	282.4	14.8	(1.4)	–	17.2	30.6
Pharma	85.7	92.4	5.7	(5.3)	(1.4)	6.3	6.7
Fibers	84.1	80.2	(4.0)	0.2	(2.2)	0.0	(3.8)
Electronics Materials & Devices	86.8	77.7	(2.6)	(6.0)	(3.0)	(0.4)	(9.1)
Construction Materials	43.4	48.0	3.7	0.9	–	0.0	4.6
Services, Engineering and Others	25.8	19.3	(6.5)	0.0	0.0	0.0	(6.5)
Total	1,240.3	1,223.0	(51.7)	8.2	(21.2)	26.2	(17.3)

Operating profit increases/decreases by segment, Apr.–Dec. 2008 vs. 2007

AsahiKASEI

(¥ billion)

	Apr.–Dec. 2007	Apr.–Dec. 2008	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	55.1	18.1	(9.2)	20.0	(14.7)	(47.8)	(37.0)
Homes	8.1	10.8	3.9	(1.4)	–	0.2	2.7
Pharma	13.0	13.0	5.5	(5.3)	(1.4)	(0.2)	(0.1)
Fibers	5.2	0.9	(1.1)	0.2	(2.2)	(3.4)	(4.3)
Electronics Materials & Devices	17.0	8.4	(1.0)	(6.0)	(3.0)	(1.5)	(8.6)
Construction Materials	2.9	1.9	0.8	0.9	–	(2.7)	(1.0)
Services, Engineering and Others	3.5	4.1	0.5	0.0	0.0	0.1	0.6
Corporate expenses and eliminations	(6.7)	(7.1)	–	–	–	(0.4)	(0.4)
Total	98.1	50.1	(0.6)	8.2	(21.2)	(55.7)	(48.1)

Forecast for fiscal year 2008

Consolidated operating performance

Asahi**KASEI**

(¥ billion)

	FY 2007			FY 2008 revised forecast					FY 2008 forecast in Nov.
	1st half	2nd half	Total	1st half	2nd half		Total		
					Oct.-Dec.	Jan.-Mar.		forecast	
Net sales	830.8	866.0	1,696.8	843.2	379.8	348.0	727.8	1,571.0	1,739.0
Operating profit	63.7	64.0	127.7	40.1	9.9	(10.0)	0.0	40.1	95.0
Ordinary profit	63.1	57.3	120.5	40.7	5.7	(12.3)	(6.7)	34.0	95.0
Net income	38.0	31.9	69.9	23.4	1.6	(11.0)	(9.4)	14.0	55.0

Key operating factors

Naphtha price (¥/kL, domestic)	58,750	64,150	61,450	78,350	52,200	24,000	38,100	58,230	66,675
¥/US\$ exchange rate (market average)	119	109	114	106	96	90	93	100	103

	FY 2007	FY 2008 forecast
Dividends per share	¥13	¥10 (planned)
Payout ratio	26.0%	99.9%

Sales forecast by segment

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(¥ billion)

	FY 2007			FY 2008 revised forecast					FY 2008 forecast in Nov. [b]	Increase (decrease) [a-b]
	1st half	2nd half	Total	1st half	2nd half forecast		Total [a]			
					Oct.-Dec.	Jan.-Mar.				
Chemicals	446.4	432.8	879.2	453.2	169.8	130.0	299.8	753.0	879.0	(126.0)
Homes	166.9	219.3	386.2	170.3	112.1	126.6	238.7	409.0	412.0	(3.0)
Pharma	54.8	56.4	111.2	62.8	29.6	29.6	59.2	122.0	125.0	(3.0)
Fibers	56.9	57.1	114.1	55.9	24.4	25.8	50.1	106.0	115.0	(9.0)
Electronics Materials & Devices	57.7	55.6	113.3	55.8	21.9	14.3	36.2	92.0	118.0	(26.0)
Construction Materials	29.9	25.8	55.7	31.3	16.7	13.0	29.7	61.0	62.0	(1.0)
Services, Engineering and Others	18.1	19.0	37.0	13.9	5.4	8.7	14.1	28.0	28.0	0.0
Consolidated	830.8	866.0	1,696.8	843.2	379.8	348.0	727.8	1,571.0	1,739.0	(168.0)

Operating profit forecast by segment

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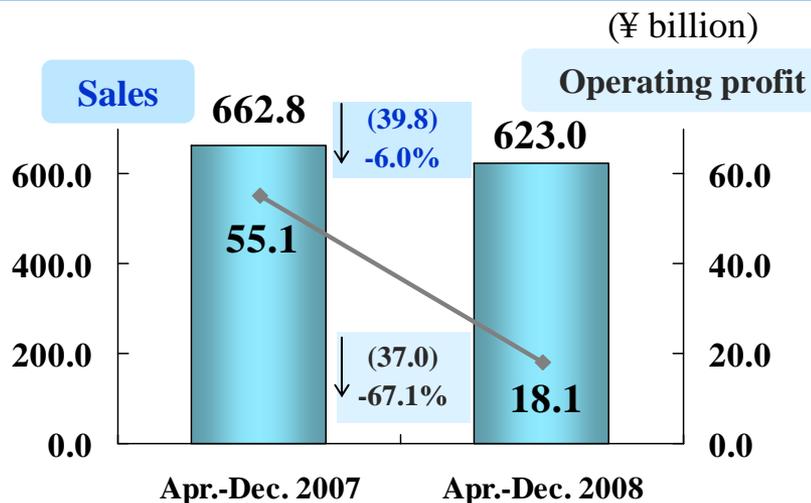
(¥ billion)

	FY 2007			FY 2008 revised forecast					FY 2008 forecast in Nov. [b]	Increase (decrease) [a-b]
	1st half	2nd half	Total	1st half	2nd half forecast		Total [a]			
					Oct.-Dec.	Jan.-Mar.				
Chemicals	36.2	29.0	65.2	18.5	(0.4)	(11.1)	(11.5)	7.0	43.5	(36.5)
Homes	4.8	16.5	21.4	3.0	7.7	11.2	19.0	22.0	23.0	(1.0)
Pharma	7.7	4.9	12.7	10.2	2.8	0.0	2.8	13.0	15.0	(2.0)
Fibers	3.5	3.7	7.2	1.7	(0.7)	(1.4)	(2.2)	(0.5)	2.0	(2.5)
Electronics Materials & Devices	11.5	10.8	22.2	8.2	0.2	(6.4)	(6.2)	2.0	14.0	(12.0)
Construction Materials	2.1	0.7	2.8	0.8	1.0	(0.4)	0.7	1.5	1.5	0.0
Services, Engineering and Others	2.7	2.4	5.2	3.1	1.0	0.9	1.9	5.0	5.0	0.0
Corporate Expenses and Eliminations	(4.9)	(4.1)	(9.0)	(5.3)	(1.8)	(2.8)	(4.6)	(9.9)	(9.0)	(0.9)
Consolidated	63.7	64.0	127.7	40.1	9.9	(10.0)	0.0	40.1	95.0	(54.9)

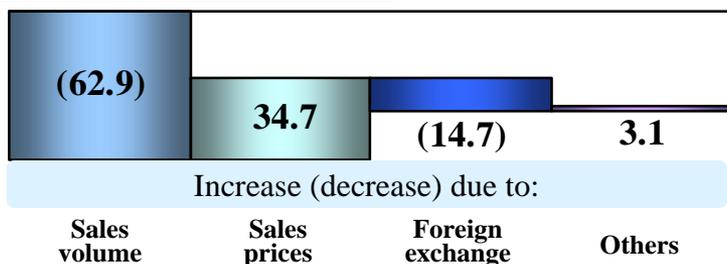
Execution of the following actions in light of the severe deterioration of the operating climate

- ✓ Reduction of capital expenditure
 - Postponing investments for capacity expansion in general-use/commodity businesses.
 - Expansion of high-growth businesses to proceed with prudent consideration of the business situation.
- ✓ Firmly holding down inventories
- ✓ Cutting fixed costs – obtaining lower break-even point
- ✓ Review of general-use/commodity businesses
 - Further heightening of added value; advancing globalization to establish global No.1 position.
 - Acceleration of business portfolio realignment, including restructuring of underperforming businesses.
- ✓ Curtailment of remuneration of corporate officers

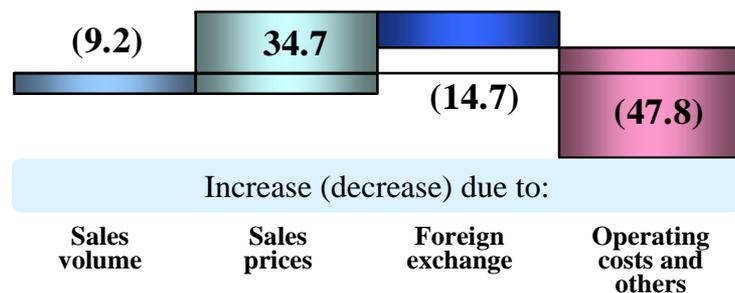
Appendix



Sales increases/decreases



Operating profit increases/decreases



Review of operations

Volume products:

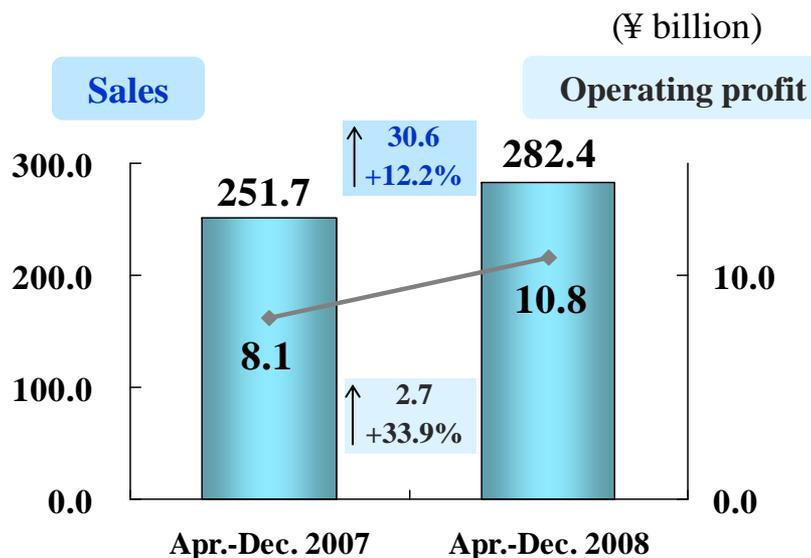
Decreased shipments and lower sales prices due to slack market conditions in Japan and overseas. Higher yen exchange value. Sales and operating profit decrease.

Specialty products:

Increased shipments of Hipore™ Li-ion battery separator. Decreased shipments of other products due to slack market conditions. Higher yen exchange value. Sales increase, but operating profit decrease.

Highlights

- Nov., announcement of plant expansion for Hipore™ Li-ion battery separator.



Review of operations

Recovery in the number of deliveries of Hebel Haus™ unit homes from a decline which resulted from an incident of falsified building material performance as came to light in Oct. 2007. Good performance in pre-built homes with deliveries of large condominiums. Good performance in housing-related operations, particularly remodeling operations. Sales and operating profit increase.

Value of home orders decreasing 13.7% year-on-year during Oct. to Dec. and 2.7% year-on-year during Apr. to Dec. Despite maintaining growth in H1 2008, orders affected by severe deterioration of housing market due to financial crisis.

Results by product category*

(¥ billion)

	Apr.–Dec. 2007		Apr.–Dec. 2008		Increase (decrease)	
	Sales	Operating profit	Sales	Operating profit	Sales	Operating profit
Order-built homes	197.4	/	204.9	/	7.3	/
Pre-built homes	6.6		23.9		17.3	
Others†	0.6		1.0		0.4	
Total homes	204.7	4.0	229.8	6.2	25.0	2.2
Housing-related	47.0	4.1	52.6	4.6	5.6	0.5
Total	251.7	8.1	282.4	10.8	30.6	2.7

* Product category division unaudited, simplified calculation.

† Including commissions on property insurance.

Highlights

- Jan., promotion campaign for Hebel Haus™ homes featuring electric power generation with leading-edge environmental performance.

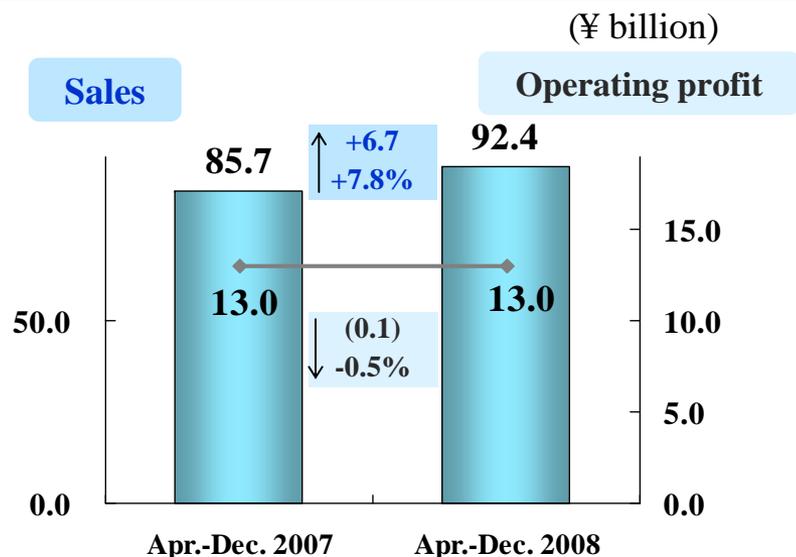
Homes (ii)

Sales and order trends

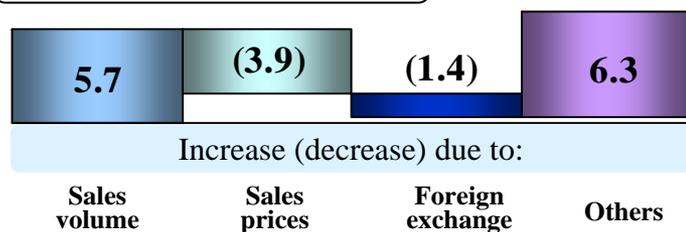
(¥ billion, % change from same period of previous year shown at right)

		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 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
	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
	H2	147.3 (-9.6%)	182.9 (+2.0%)	23.0 (+75.8%)	0.5	206.4 (+6.9%)	30.2 (+15.7%)	236.6 (+7.9%)	289.8
	annual	303.4 (-3.2%)	317.6 (-0.6%)	28.9 (-13.8%)	1.0	347.5 (-1.9%)	58.2 (+15.5%)	405.7 (+0.3%)	
FY 07	H1	153.6 (-1.5%)	131.2 (-2.6%)	5.0 (-16.5%)	0.4	136.6 (-3.2%)	30.3 (+8.2%)	166.9 (-1.3%)	312.3
	Q3	69.2 (+5.0%)	66.2 (-12.2%)	1.7 (-89.6%)	0.2	68.1 (-25.7%)	16.7 (+12.2%)	84.8 (-20.4%)	315.3
	H2	152.5 (+3.5%)	165.9 (-9.3%)	19.5 (-15.1%)	0.5	186.0 (-9.9%)	33.3 (+10.3%)	219.3 (-7.3%)	298.8
	annual	306.1 (+0.9%)	297.1 (-6.5%)	24.5 (-15.4%)	1.0	322.5 (-7.2%)	63.7 (+9.5%)	386.2 (-4.8%)	
FY 08	H1	157.1 (+2.3%)	129.4 (-1.4%)	6.0 (+19.4%)	0.7	136.0 (-0.4%)	34.3 (+13.2%)	170.3 (+2.0%)	326.6
	Q3	59.7 (-13.7%)	75.5 (+14.0%)	17.9 (+952.9%)	0.4	93.8 (+37.7%)	18.3 (+9.6%)	112.1 (+32.2%)	310.7
	H2 forecast	131.9 (-13.5%)	177.6 (+7.1%)	24.0 (+23.1%)	0.8	202.5 (+8.9%)	36.2 (+8.7%)	238.7 (+8.9%)	280.9
	annual	289.0 (-5.6%)	307.0 (+3.3%)	30.0 (+22.4%)	1.5	338.5 (+5.0%)	70.5 (+10.7%)	409.0 (+5.9%)	

* Including commissions on property insurance.



Sales increases/decreases



Operating profit increases/decreases



Review of operations

Licensing income for Famvir™ antiviral for herpes zoster but reduced reimbursement prices in pharmaceuticals. Sales and operating profit increase in pharmaceuticals. Increased shipments of Planova™ virus removal filters but increased depreciation with plant expansion and higher yen exchange value in devices. Sales increase, but operating profit decrease in devices. Overall, sales increase, but slight operating profit decrease.

Highlights

- Nov., completion of new dry-pack APS™ polysulfone-membrane artificial kidney plant with integrated spinning and assembly lines
- Nov., announcement of acquisition of intellectual property rights related to naftopidil, an agent for treatment of benign prostatic hyperplasia marketed as Flivas™, from Roche Diagnostics GmbH.
- Dec., market launch of 12.5 mg and 25 mg tablets of Toledomin™ antidepressant.
- Dec., Japanese Red Cross Society selects Lucica™ GA-L liquid reagent kit for measurement of glycosylated albumin as marker for glycemic control in diabetes; tests on donated blood beginning in Mar. 09.
- Jan., decision to construct new assembly plant for Planova™ virus removal filters in Oita; groundbreaking in Apr. 09, start-up in Mar. 2010.

Sales of Asahi Kasei Pharma Corporation

(¥ billion)

		FY 2007			FY 2008	
		Oct.–Dec.	Apr.–Dec.	total	Oct.–Dec.	Apr.–Dec.
	Pharmaceuticals	13.5	37.6	48.4	13.4	43.8
	Others	1.3	4.2	5.5	1.0	3.4
	Non-consolidated	14.8	41.8	53.9	14.3	47.1
	Devices*	14.3	39.0	51.1	13.9	40.9
	Others	1.7	4.9	6.2	1.0	4.3
	Consolidated	30.8	85.7	111.2	29.6	92.4

* Asahi Kasei Kuraray Medical and Asahi Kasei Medical

Main pharmaceuticals domestic sales

(¥ billion)

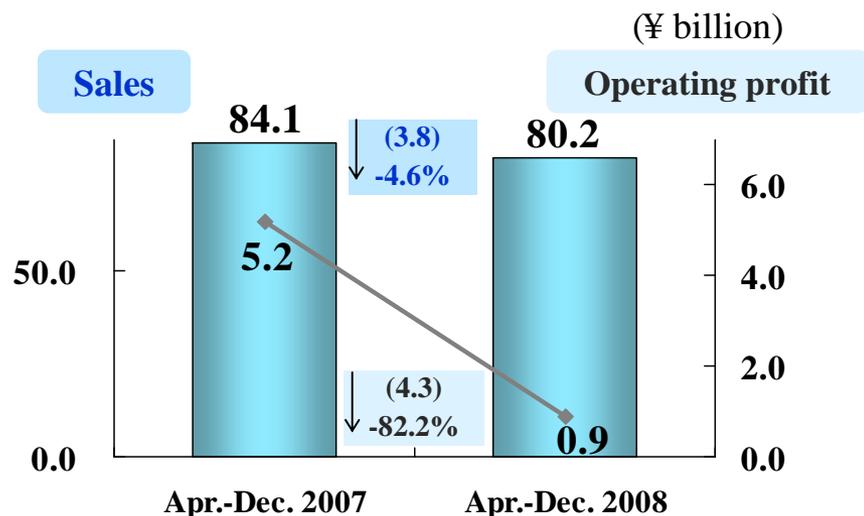
	FY 2007			FY 2008	
	Oct.–Dec.	Apr.–Dec.	total	Oct.–Dec.	Apr.–Dec.
Elcitonin TM	3.8	10.9	13.9	3.5	10.3
Bredinin TM	1.7	4.9	6.2	1.7	4.8
Flivas TM	2.7	7.4	9.4	2.8	7.3
Toledomin TM	1.8	4.9	6.3	1.2	4.1
Exacin TM	0.3	0.8	1.0	0.2	0.7
Zesulan TM	0.4	0.9	1.2	0.3	0.8
Eril TM	0.5	1.2	1.5	0.4	1.1

Overview of new products

	Generic name	Mechanism/ substance class	Indication	Formulation	Co-development partner
Recomodulin™, market launch in May 2008	Recombinant thrombomodulin alpha	Blood coagulation	Disseminated intravascular coagulation	Injection	—
Famvir™, market launch in July 2008	Famciclovir	Antiviral	Shingles (zoster)	Oral	Novartis Pharma AG

Product pipeline

Development stage	Product	Objective	Class	Indication
Phase III	AT-877 (Injection)	Additional indication	Rho-kinase inhibitor	Acute cerebral thrombosis
	PTH (Injection)	Additional indication	Synthetic human parathyroid hormone	Osteoporosis
Before entering of Phase III	AK-120 (Oral)	Additional indication	Famciclovir antiviral	Herpes simplex
Phase II	AT-877 (Oral)	New dosage form	Rho-kinase inhibitor	Pulmonary hypertension
	KT-611 (Oral)	Additional indication	α -1 blocker	Neurogenic bladder

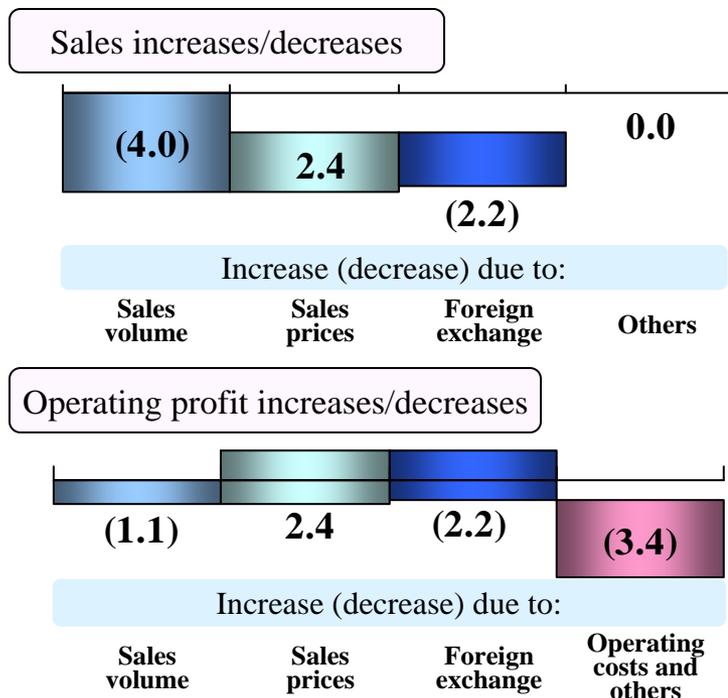


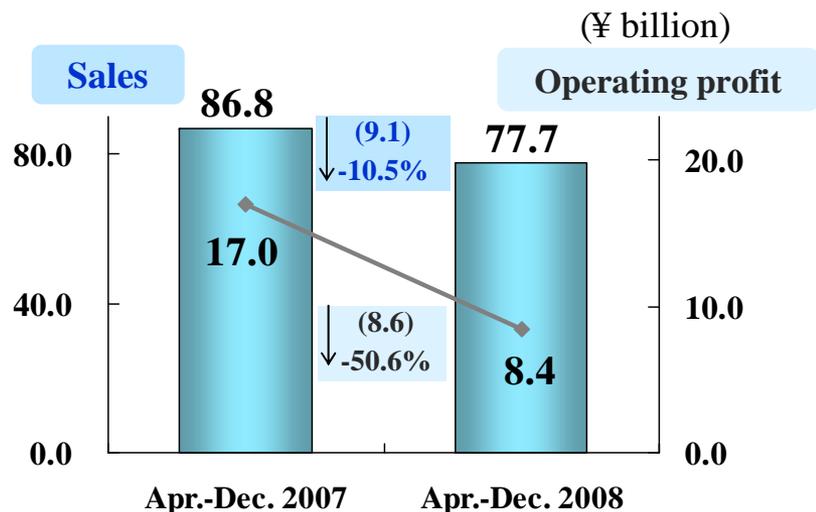
Review of operations

Decreased shipments with slack overseas market conditions and impact of higher yen exchange value for Roica™ elastic polyurethane filament. Decreased shipments of Bemberg™ regenerated cellulose and of spunbond and other nonwovens. Sales and operating profit decrease.

Highlights

- Nov., award ceremony for the *Asahi Kasei Award for Fashion Design Creativity in China* together with a fashion show.





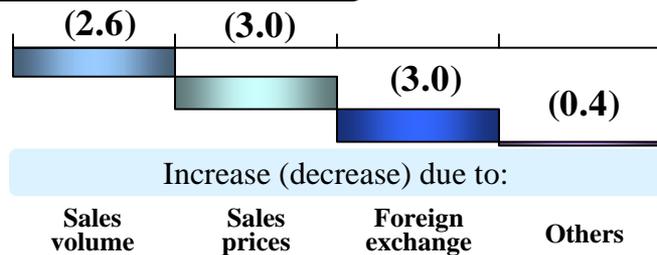
Review of operations

Decreased shipments for both electronic materials and electronic devices due to slack market conditions in consumer electronics, IT equipment and the electronics industry in general. Impact of higher yen exchange value. Sales and operating profit decrease.

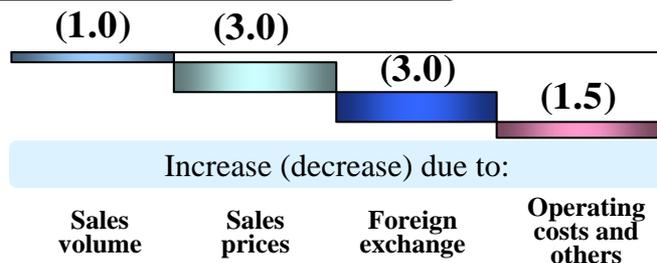
Highlights

- Jan., conclusion of basic agreement for acquisition of semiconductor business from Toko Inc.; integration of business scheduled for Apr. 09.

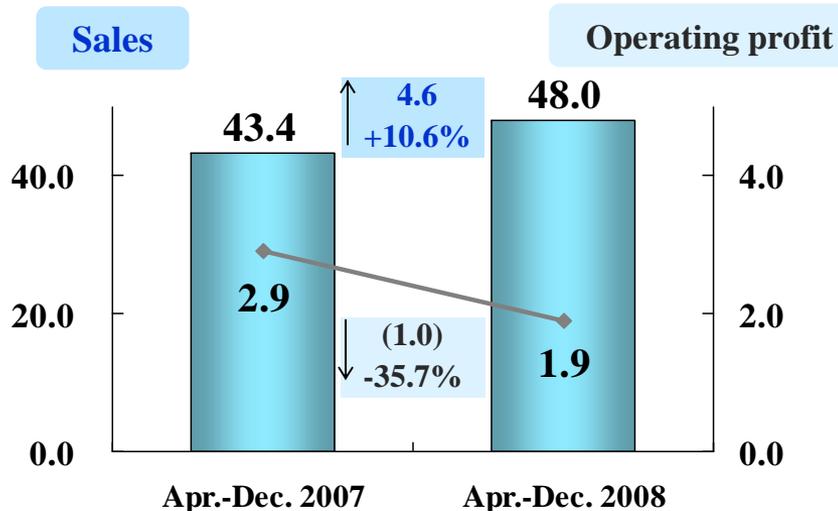
Sales increases/decreases



Operating profit increases/decreases



(¥ billion)



Review of operations

Increased shipments of BasePack™ earthquake-resistant column base attachment system and foundation systems such as Eazet™ and ATT Column™ piling systems for small-scale construction and DynaWing™ pre-cast piling system featuring minimal soil disposal and high load-bearing capacity. Higher feedstock and fuel costs for Hebel™ autoclaved lightweight concrete (ALC) panels. Sales increase, but operating profit decrease.

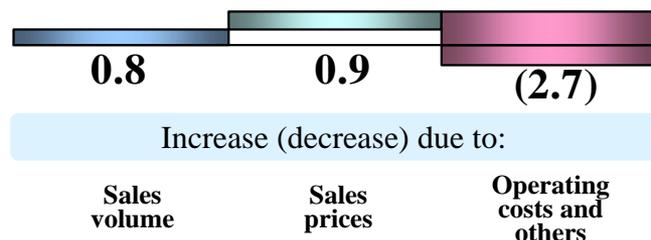
Highlights

- Jan., expansion of product lineup of FreeDonut™ system for reinforcement of openings to pass plumbing/wiring through I-beams.

Sales increases/decreases



Operating profit increases/decreases



– 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.