

Fiscal quarter ended
December 2009
– supplementary financial summary –

February 3, 2010
Asahi Kasei Corporation

Consolidated results for fiscal quarter ended Dec. 2009

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Consolidated results for fiscal quarter ended Dec. 2009

Summary of financial results

(¥ billion)

	2008		2009		Oct.–Dec. 2008 vs. 2009		Apr.–Dec. 2008 vs. 2009		FY 2009 forecast in Nov. [b]	% of forecast [a/b]
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec. [a]	Increase (decrease)	% change	Increase (decrease)	% change		
Net sales	379.8	1,223.0	364.1	1,022.7	(15.8)	-4.2%	(200.3)	-16.4%	1,437.0	71.2%
Operating income	9.9	50.1	22.0	40.0	12.1	121.9%	(10.1)	-20.2%	50.0	79.9%
Ordinary income	5.7	46.3	23.0	38.0	17.3	304.6%	(8.3)	-17.9%	47.0	80.9%
Net income	1.6	25.0	16.4	20.6	14.8	935.0%	(4.4)	-17.6%	16.0	128.7%

Key operating factors

Naphtha price (¥/kL, domestic)	52,000	69,600	42,500	39,000
¥/US\$ exchange rate (market average)	96	103	90	94

Financial position

	At end of March 2009	At end of Dec. 2009	Increase (decrease)
Total assets	1,379.3	1,425.1	45.8
Equity	603.8	622.7	18.9
Interest-bearing debt	315.6	311.1	(4.5)
Debt/equity ratio	0.52	0.50	(0.02)

Statements of income

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(¥ billion)

	2008				2009				Oct.–Dec. 2008 vs. 2009		Apr.–Dec. 2008 vs. 2009	
	Oct.–Dec.		Apr.–Dec.		Oct.–Dec.		Apr.–Dec.		Increase (decrease)	% change	Increase (decrease)	% change
		% of sales										
Net sales	379.8	100.0%	1,223.0	100.0%	364.1	100.0%	1,022.7	100.0%	(15.8)	-4.2	(200.3)	-16.4
Cost of sales	301.5	79.4%	959.5	78.5%	273.7	75.2%	781.2	76.4%	(27.8)	-9.2	(178.3)	-18.6
Gross profit	78.3	20.6%	263.5	21.5%	90.4	24.8%	241.5	23.6%	12.1	+15.4	(22.0)	-8.4
Selling, general and administrative expenses	68.4	18.0%	213.4	17.4%	68.4	18.8%	201.5	19.7%	(0.0)	-0.0	(11.9)	-5.6
Operating income	9.9	2.6%	50.1	4.1%	22.0	6.0%	40.0	3.9%	12.1	+121.9	(10.1)	-20.2
Non-operating expenses	(4.2)	/	(3.7)	/	1.0	/	(1.9)	/	5.2	/	1.8	/
of which,												
financing income and expense	(0.0)	/	0.0	/	(0.3)	/	(0.4)	/	(0.3)	/	(0.4)	/
equity in earnings of affiliates	0.3	/	0.9	/	0.5	/	0.3	/	0.3	/	(0.5)	/
Ordinary income	5.7	1.5%	46.3	3.8%	23.0	6.3%	38.0	3.7%	17.3	+304.6	(8.3)	-17.9
Extraordinary income (loss)	(1.1)	/	(2.5)	/	4.6	/	(0.0)	/	5.7	/	2.5	/
Income before income taxes	4.5	1.2%	43.8	3.6%	27.5	7.6%	38.0	3.7%	23.0	+506.6	(5.8)	-13.3
Income taxes	(2.9)	/	(18.3)	/	(10.8)	/	(17.2)	/	(7.9)	/	1.1	/
Minority interests in income	(0.0)	/	(0.5)	/	(0.4)	/	(0.3)	/	(0.3)	/	0.3	/
Net income	1.6	0.4%	25.0	2.0%	16.4	4.5%	20.6	2.0%	14.8	+935.0	(4.4)	-17.6

Extraordinary income and loss

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(¥ billion)

	2008		2009		Oct.-Dec. '08 vs. '09	Apr.-Dec. '08 vs. '09
	Oct.-Dec.	Apr.-Dec.	Oct.-Dec.	Apr.-Dec.	Increase (decrease)	Increase (decrease)
Extraordinary income						
Gain on sales of investment securities	0.0	0.0	–	0.1	(0.0)	0.1
Gain on sales of property, plant and equipment	0.5	0.5	–	0.0	(0.5)	(0.5)
Gain on change in equity	–	–	0.2	0.2	0.2	0.2
Gain on arbitration award*	–	–	6.5	6.5	6.5	6.5
Total extraordinary income	0.5	0.6	6.7	6.8	6.2	6.2
Extraordinary loss						
Loss on valuation of investment securities	0.2	0.3	0.6	1.3	0.4	1.0
Loss on disposal of noncurrent assets	1.4	2.4	0.4	1.7	(1.0)	(0.8)
Impairment loss	0.1	0.3	0.0	0.1	(0.1)	(0.2)
Environmental expenses	–	–	0.1	1.2	0.1	1.2
Business structure improvement expenses	–	–	1.1	2.5	1.1	2.5
Total extraordinary loss	1.6	3.1	2.1	6.8	0.5	3.7
Net extraordinary income (loss)	(1.1)	(2.5)	4.6	(0.0)	5.7	2.5

* Gain as a result of arbitration with CoTherix, Inc. of the US.

Balance sheets

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(¥ billion)

	At end of Mar. 2009	At end of Dec. 2009	Increase (decrease)		At end of Mar. 2009	At end of Dec. 2009	Increase (decrease)
Current assets	682.2	713.0	30.8	Liabilities	768.0	791.3	23.3
Cash and deposits	98.0	83.4	(14.6)	Current liabilities	487.9	500.8	12.8
Notes and accounts receivable, trade	208.9	257.7	48.8	Noncurrent liabilities	280.1	290.5	10.5
Inventories	273.5	287.2	13.6	Net assets	611.4	633.8	22.4
Other current assets	101.8	84.7	(17.1)	Shareholders' equity	599.1	608.2	9.1
Noncurrent assets	697.1	712.1	15.0	Capital stock	103.4	103.4	–
Property, plant and equipment	441.3	452.6	11.3	Capital surplus	79.4	79.4	(0.0)
Intangible assets	37.4	36.1	(1.3)	Retained earnings	418.3	427.4	9.1
Investments and other assets	218.5	223.4	4.9	Treasury stock	(1.9)	(2.0)	(0.1)
				Valuation and translation adjustments	4.7	14.5	9.8
				Minority interests	7.5	11.1	3.5
Total assets	1,379.3	1,425.1	45.8	Total liabilities and net assets	1,379.3	1,425.1	45.8

Cash flows

(¥ billion)

	2008		2009	
	Oct.–Dec.	Apr.–Dec.	Oct.–Dec.	Apr.–Dec.
a. Net cash provided by (used in) operating activities	14.4	41.6	34.0	86.6
b. Net cash provided by (used in) investing activities	(31.1)	(99.1)	(21.0)	(74.7)
c. Free cash flows [a+b]	(16.7)	(57.5)	13.0	11.9
d. Net cash provided by (used in) financing activities	70.6	90.9	(0.9)	(26.9)
e. Effect of exchange rate change on cash and cash equivalents	(1.1)	(3.5)	(0.3)	0.3
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	52.8	29.9	11.7	(14.7)
g. Cash and cash equivalents at beginning of period	60.1	83.0	72.0	98.1
h. Increase in cash and cash equivalents resulting from change of scope of consolidation	–	–	–	0.4
i. Cash and cash equivalents at end of period [f+g+h]	112.9	112.9	83.7	83.7

Sales and operating income by segment, Apr.–Dec. 2008 and 2009

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(¥ billion)

	Sales			Operating income		
	Apr.–Dec. 2008*	Apr.–Dec. 2009	Increase (decrease)	Apr.–Dec. 2008*	Apr.–Dec. 2009	Increase (decrease)
Chemicals	578.9	452.3	(126.6)	10.7	21.8	11.1
Homes	282.4	253.7	(28.6)	10.8	10.8	0.1
Health Care	92.4	85.9	(6.5)	13.0	6.3	(6.7)
Fibers	92.2	74.6	(17.6)	0.7	(2.9)	(3.6)
Electronics	109.9	105.9	(4.0)	13.9	5.5	(8.4)
Construction Materials	48.0	36.9	(11.1)	1.9	1.7	(0.2)
Services, Engineering and Others	19.3	13.4	(5.9)	4.1	1.2	(2.9)
Corporate Expenses and Eliminations	–	–	–	(5.0)	(4.3)	0.7
Consolidated	1,223.0	1,022.7	(200.3)	50.1	40.0	(10.1)
Overseas sales	324.6	266.5	(58.0)			
Percent of total	26.5%	26.1%	-0.5%			

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Sales increases/decreases by segment, Oct.–Dec. 2009 vs. 2008

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(¥ billion)

	Oct.–Dec. 2008*	Oct.–Dec. 2009	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	156.7	159.0	10.3	(19.8)	(1.7)	11.8	2.3
Homes	112.1	96.0	(17.2)	1.6	–	(0.4)	(16.0)
Health Care	29.6	29.6	(0.2)	0.3	0.0	(0.0)	0.0
Fibers	28.1	25.9	0.5	(2.7)	(0.4)	0.0	(2.2)
Electronics	31.2	37.4	10.0	(6.3)	(1.4)	2.6	6.2
Construction Materials	16.7	12.4	(4.6)	0.2	–	0.0	(4.4)
Services, Engineering and Others	5.4	3.8	(1.6)	0.0	0.0	0.0	(1.6)
Total	379.8	364.1	(3.0)	(26.7)	(3.5)	13.9	(15.8)

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Operating income increases/decreases by segment, Oct.–Dec. 2009 vs. 2008

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(¥ billion)

	Oct.–Dec. 2008*	Oct.–Dec. 2009	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	(2.3)	10.3	2.0	(19.8)	(1.7)	30.5	12.7
Homes	7.7	6.7	(6.1)	1.6	–	3.5	(1.0)
Health Care	2.8	2.9	(0.3)	0.3	0.0	0.1	0.1
Fibers	(0.5)	(0.0)	0.2	(2.7)	(0.4)	3.0	0.5
Electronics	1.2	2.6	5.2	(6.3)	(1.4)	2.5	1.4
Construction Materials	1.0	1.1	(0.8)	0.2	–	0.6	0.0
Services, Engineering and Others	1.0	0.1	(0.8)	0.0	0.0	(0.1)	(0.9)
Corporate expenses and eliminations	(1.1)	(1.7)	–	–	–	(0.6)	(0.6)
Total	9.9	22.0	(0.6)	(26.7)	(3.5)	39.4	12.1

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Sales increases/decreases by segment, Apr.–Dec. 2009 vs. 2008

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(¥ billion)

	Apr.–Dec. 2008*	Apr.–Dec. 2009	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Others	
Chemicals	578.9	452.3	(44.6)	(90.8)	(7.0)	8.8	(126.6)
Homes	282.4	253.7	(30.7)	3.2	–	(1.1)	(28.6)
Health Care	92.4	85.9	2.8	(1.9)	(1.5)	(7.3)	(6.5)
Fibers	92.2	74.6	(10.2)	(7.4)	(1.9)	0.0	(17.6)
Electronics	109.9	105.9	1.9	(12.9)	(2.7)	7.0	(4.0)
Construction Materials	48.0	36.9	(12.3)	1.2	–	0.0	(11.1)
Services, Engineering and Others	19.3	13.4	(5.9)	0.0	0.0	0.0	(5.9)
Total	1,223.0	1,022.7	(99.1)	(108.7)	(13.1)	7.5	(200.3)

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Operating income increases/decreases by segment, Apr.–Dec. 2009 vs. 2008

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(¥ billion)

	Apr.–Dec. 2008*	Apr.–Dec. 2009	Increase (decrease) due to:				Net increase (decrease)
			Sales volume	Sales prices	of which, due to foreign exchange	Operating costs and others	
Chemicals	10.7	21.8	(4.3)	(90.8)	(7.0)	106.2	11.1
Homes	10.8	10.8	(11.2)	3.2	–	8.0	0.1
Health Care	13.0	6.3	2.5	(1.9)	(1.5)	(7.2)	(6.7)
Fibers	0.7	(2.9)	(1.8)	(7.4)	(1.9)	5.6	(3.6)
Electronics	13.9	5.5	3.6	(12.9)	(2.7)	0.9	(8.4)
Construction Materials	1.9	1.7	(3.3)	1.2	–	1.9	(0.2)
Services, Engineering and Others	4.1	1.2	(2.8)	0.0	0.0	(0.1)	(2.9)
Corporate expenses and eliminations	(5.0)	(4.3)	–	–	–	0.7	0.7
Total	50.1	40.0	(17.3)	(108.7)	(13.1)	115.9	(10.1)

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Forecast for fiscal year 2009

Consolidated operating performance

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(¥ billion)

	FY 2008			FY 2009 revised forecast					FY 2009 forecast in Nov.
	1st half	2nd half	Total	1st half	2nd half		Total		
					Oct.–Dec.	Jan.–Mar.		forecast	
Net sales	843.2	709.9	1,553.1	658.6	364.1	409.3	773.4	1,432.0	1,437.0
Operating income (loss)	40.1	(5.2)	35.0	18.0	22.0	13.0	35.0	53.0	50.0
Ordinary income (loss)	40.7	(8.2)	32.5	15.1	23.0	13.5	36.4	51.5	47.0
Net income (loss)	23.4	(18.7)	4.7	4.2	16.4	2.4	18.8	23.0	16.0

Key operating factors

Naphtha price (¥/kL, domestic)	78,350	39,500	58,925	37,250	42,500	49,000	45,750	41,500	38,625
¥/US\$ exchange rate (market average)	106	95	101	95	90	90	90	93	93

	FY 2008	FY 2009 forecast
Dividends per share	¥10	¥10 (planned)
Payout ratio	295.0%	60.8%

Sales forecast by segment

(¥ billion)

	FY 2008*			FY 2009 revised forecast					FY 2009 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	422.1	267.2	689.3	293.3	159.0	158.7	317.7	611.0	606.0	5.0
Homes	170.3	239.6	409.9	157.7	96.0	139.3	235.3	393.0	394.0	(1.0)
Health Care	62.8	56.8	119.6	56.3	29.6	30.1	59.7	116.0	118.0	(2.0)
Fibers	64.1	52.3	116.4	48.7	25.9	26.4	52.3	101.0	101.0	-
Electronics	78.7	51.0	129.7	68.5	37.4	38.1	75.5	144.0	147.0	(3.0)
Construction Materials	31.3	29.6	60.9	24.6	12.4	10.1	22.4	47.0	50.0	(3.0)
Services, Engineering and Others	13.9	13.4	27.3	9.6	3.8	6.6	10.4	20.0	21.0	(1.0)
Consolidated	843.2	709.9	1,553.1	658.6	364.1	409.3	773.4	1,432.0	1,437.0	(5.0)

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Operating income forecast by segment

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(¥ billion)

	FY 2008*			FY 2009 revised forecast					FY 2009 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	13.1	(19.6)	(6.5)	11.5	10.3	1.7	12.0	23.5	21.5	2.0
Homes	3.0	18.8	21.9	4.1	6.7	12.7	19.4	23.5	22.0	1.5
Health Care	10.2	1.9	12.0	3.4	2.9	0.7	3.6	7.0	8.0	(1.0)
Fibers	1.3	(2.8)	(1.5)	(2.9)	(0.0)	(0.1)	(0.1)	(3.0)	(3.0)	-
Electronics	12.6	(5.4)	7.3	2.8	2.6	1.0	3.7	6.5	8.0	(1.5)
Construction Materials	0.8	0.8	1.7	0.6	1.1	(0.7)	0.4	1.0	1.0	-
Services, Engineering and Others	3.1	2.6	5.6	1.0	0.1	0.3	0.5	1.5	1.5	-
Corporate Expenses and Eliminations	(4.0)	(1.6)	(5.5)	(2.6)	(1.7)	(2.7)	(4.4)	(7.0)	(9.0)	2.0
Consolidated	40.1	(5.2)	35.0	18.0	22.0	13.0	35.0	53.0	50.0	3.0

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Quarterly sales by segment

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(¥ billion)

	FY2008*				FY2009			FY2009 Q4 forecast
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Chemicals	195.0	227.2	156.7	110.4	132.9	160.3	159.0	158.7
Homes	63.7	106.6	112.1	127.5	58.5	99.2	96.0	139.3
Health Care	34.6	28.2	29.6	27.2	28.5	27.8	29.6	30.1
Fibers	30.7	33.4	28.1	24.2	22.4	26.3	25.9	26.4
Electronics	39.6	39.1	31.2	19.8	31.5	37.0	37.4	38.1
Construction Materials	14.7	16.6	16.7	12.9	11.6	13.0	12.4	10.1
Services, Engineering and Others	7.7	6.2	5.4	8.0	3.9	5.7	3.8	6.6
Total	386.0	457.2	379.8	330.1	289.3	369.3	364.1	409.3

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Quarterly operating income by segment

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(¥ billion)

	FY2008*				FY2009			FY2009
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4 forecast
Chemicals	6.2	6.9	(2.3)	(17.3)	2.2	9.3	10.3	1.7
Homes	(3.7)	6.8	7.8	11.1	(3.0)	7.1	6.7	12.7
Health Care	9.0	1.2	2.8	(0.9)	3.1	0.3	2.9	0.7
Fibers	1.1	0.2	(0.5)	(2.2)	(1.5)	(1.4)	(0.0)	(0.1)
Electronics	6.8	5.8	1.2	(6.6)	(0.6)	3.4	2.6	1.0
Construction Materials	0.3	0.5	1.0	(0.2)	(0.0)	0.6	1.1	(0.7)
Services, Engineering and Others	1.3	1.8	1.0	1.5	0.4	0.6	0.1	0.3
Corporate Expenses and Eliminations	(1.6)	(2.4)	(1.1)	(0.5)	(1.0)	(1.7)	(1.7)	(2.7)
Total	19.4	20.7	9.9	(15.1)	(0.3)	18.3	22.0	13.0

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of R&D for electronics materials such as Marketing Center for FPC/FPD Materials from corporate expenses, and Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

Appendix

Overseas sales by segment, Apr.–Dec. 2008 and 2009

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(¥ billion)

	Apr.- Dec. 2008*			Apr.-Dec. 2009			Increase (decrease)	
	Total sales	Overseas sales	% of total	Total sales	Overseas sales	% of total		% change
Chemicals	578.9	221.2	38.2	452.3	174.0	38.5	(47.2)	-21.3
Homes	282.4	–	–	253.7	–	–	–	–
Health Care	92.4	21.8	23.6	85.9	18.8	21.9	(2.9)	-13.5
Fibers	92.2	29.6	32.2	74.6	23.8	31.9	(5.8)	-19.7
Electronics	109.9	47.3	43.1	105.9	48.1	45.4	0.7	+1.5
Construction Materials	48.0	–	–	36.9	–	–	–	–
Services, Engineering and Others	19.3	4.6	23.8	13.4	1.8	13.5	(2.8)	-60.7
Total	1,223.0	324.6	26.5	1,022.7	266.5	26.1	(58.0)	-17.9
Sales to East Asia†		193.6	15.8		174.3	17.0	(19.3)	-10.0

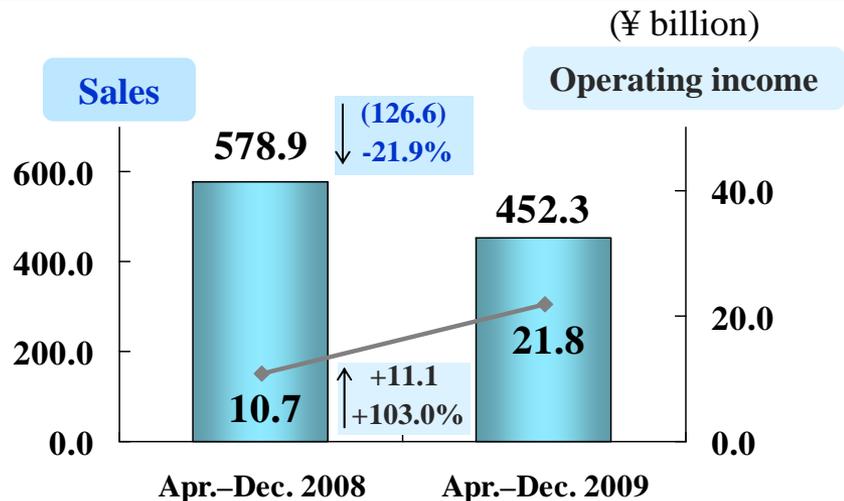
Sales, excluding Homes and
Construction Materials

892.6 324.6 36.4 732.0 266.5 36.4

* FY 2008 figures adjusted to reflect the April 2009 transfer of operations as follows:

- Transfer of Hipore™ Li-ion rechargeable battery separators, photopolymers, epoxy resins, and other related operations from Chemicals to Electronics.
- Transfer of Leona™ filament operations from Chemicals to Fibers.

† China, Korea and Taiwan.

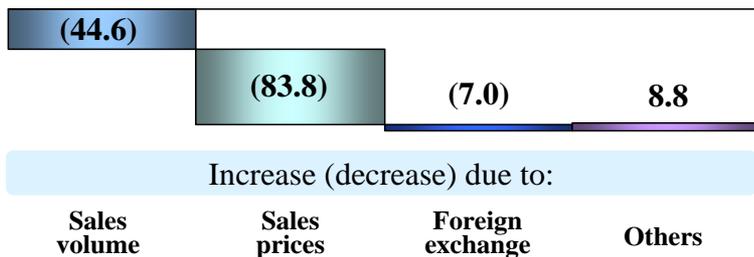


Review of operations

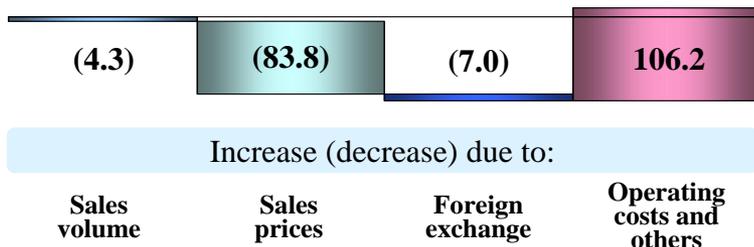
Improved terms of trade in chemicals and derivative products. Sluggish recovery in some specialty products. Sales decrease, but operating income increase.

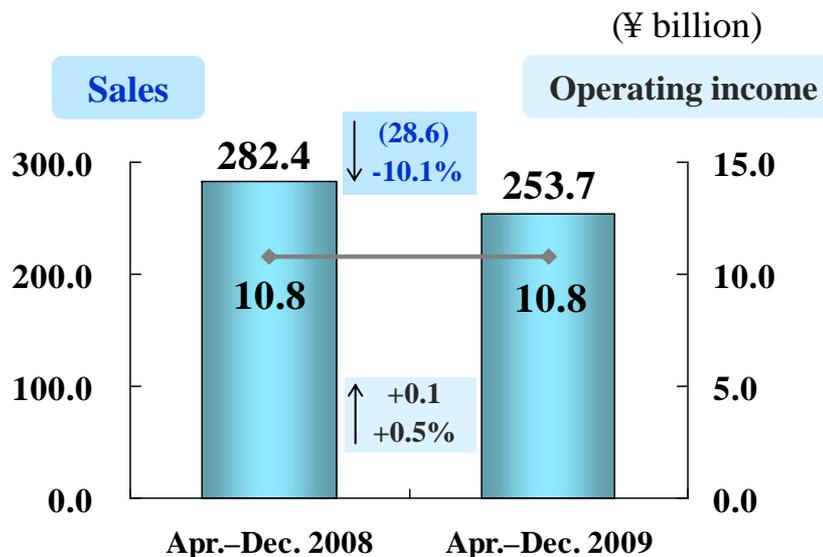
- Chemicals and derivative products
Decreased product prices as an effect of declining feedstock price, but better performance due to improved terms of trade and recovery of demand in Asian markets.
- Polymer products
Sluggish performance due to slow-recovering demand in automobile and electronics applications.
- Specialty products
Good performance in home-use products such as Saran Wrap™. Firm performance in functional additives and coating materials businesses. Sluggish performance in water-treatment and ion-exchange membrane businesses.

Sales increases/decreases



Operating income increases/decreases





Review of operations

- Substantial decrease in deliveries of Hebel Haus™ unit homes. Implementation of operating cost reductions. Firm results in remodeling and other housing-related operations. Sales decrease, but slight operating income increase.
- Increase in new orders for both multi-dwelling homes and unit homes despite the challenging general climate for housing. Value of home orders increasing 14.6% year-on-year for Oct. to Dec. and 2.8% year-on-year for Apr. to Dec.

Highlights

- Dec. – Launch of “+NEST” lifestyle package with advanced functionality for raising children.
- Dec. – Sekisui Chemical joins material procurement alliance with Sumitomo Forestry, Mitsui Home, and Asahi Kasei Homes.
- Jan. – Launch of Hebel Haus™ Frex “G3” three-story houses featuring enhanced flexibility in design and next-generation energy conservation performance.

Results by product category*

(¥ billion)

	Apr.-Dec. 2008		Apr.-Dec. 2009		Increase (decrease)	
	Sales	Operating income	Sales	Operating income	Sales	Operating income
Order-built homes	204.9	/	174.8	/	(30.1)	/
Pre-built homes	23.9		22.5		(1.3)	
Others	1.0		1.3		0.2	
Total homes	229.8	6.2	198.7	6.3	(31.2)	0.1
Housing-related	52.5	4.6	55.1	4.5	2.6	(0.1)
Total	282.4	10.8	253.7	10.8	(28.6)	0.1

* Product category division unaudited, simplified calculation.

Homes (ii)

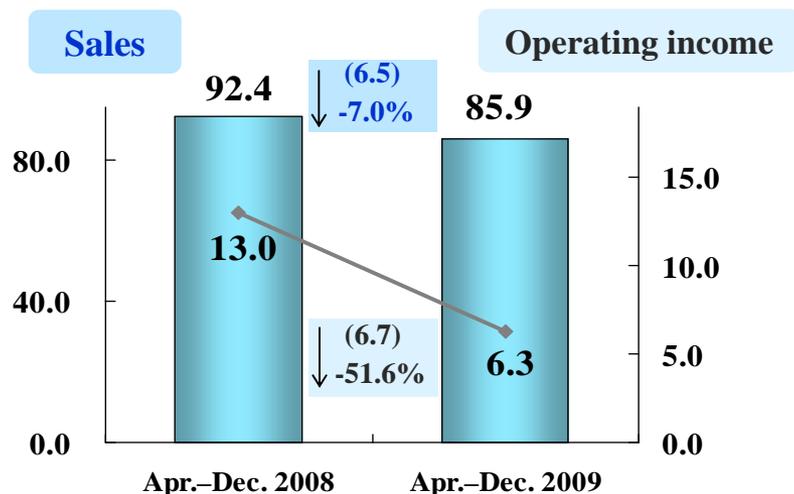
Sales and order trends

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

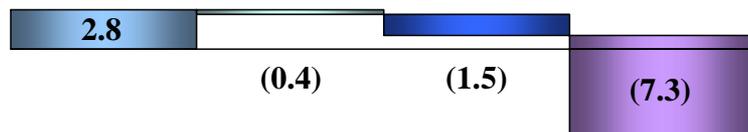
		Value of new orders during the term	Sales of order-built homes	Sales of pre-built homes	Other sales*	Unconsolidated	Consolidated subsidiaries	Consolidated	Order backlog
FY 05	H1	150.4 (-1.7%)	140.2 (+0.9%)	20.5 (+213.0%)	0.4	161.1 (+10.4%)	24.3 (+14.1%)	185.3 (+10.8%)	320.4
	H2	162.9 (+9.5%)	179.3 (+4.3%)	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
	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 (+19.7%)	0.7	136.0 (-0.4%)	34.3 (+13.2%)	170.3 (+2.0%)	326.6
	Q3	59.7 (-13.7%)	75.5 (+14.1%)	17.9 (+981.0%)	0.4	93.8 (+37.8%)	18.3 (+9.6%)	112.1 (+32.2%)	310.7
	H2	133.9 (-12.1%)	177.9 (+7.2%)	24.0 (+22.8%)	0.9	202.7 (+9.0%)	36.9 (+10.8%)	239.6 (+9.3%)	282.6
	annual	291.1 (-4.9%)	307.3 (+3.4%)	29.9 (+22.2%)	1.5	338.7 (+5.0%)	71.2 (+11.8%)	409.9 (+6.1%)	
FY 09	H1	154.6 (-1.6%)	115.8 (-10.5%)	5.2 (-12.6%)	0.8	121.9 (-10.4%)	35.8 (+4.4%)	157.7 (-7.4%)	321.3
	Q3	68.5 (+14.6%)	59.0 (-21.9%)	17.3 (-3.2%)	0.5	76.8 (-18.2%)	19.3 (+5.4%)	96.0 (-14.3%)	330.8
	H2 forecast	154.4 (+15.3%)	168.2 (-5.4%)	28.3 (+18.0%)	0.7	197.2 (-2.7%)	38.2 (+3.4%)	235.3 (-1.8%)	307.5
	annual	309.0 (+6.1%)	284.0 (-7.6%)	33.5 (+11.9%)	1.5	319.0 (-5.8%)	74.0 (+3.9%)	393.0 (-4.1%)	

* Including commissions on property insurance.

(¥ billion)



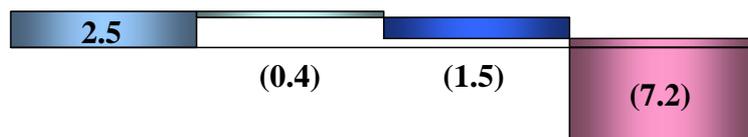
Sales increases/decreases



Increase (decrease) due to:

Sales volume	Sales prices	Foreign exchange	Others
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Operating income increases/decreases



Increase (decrease) due to:

Sales volume	Sales prices	Foreign exchange	Operating costs and others
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Review of operations

Pharmaceuticals:

Increased shipments of Flivas™ agent for treatment of benign prostatic hyperplasia and Elcitonin™ calcitonin formulation. Substantial decrease in licensing income. Sales and operating income decrease.

Devices:

Sharp impact of the appreciation of the yen in APS™ polysulfone-membrane artificial kidneys and throughout device-related operations. Increased depreciation. Sales and operating income decrease.

Highlights

- Nov. – Start-up of medical device sales subsidiary in Korea.
- Dec. – Final ruling issued in arbitration regarding breach of license agreement for CoTherix to develop and commercialize fasudil, a rho-kinase inhibitor; the arbitration panel ordered CoTherix to pay approx. US\$91 million in compensation; approx. ¥6.5 billion recorded as extraordinary income in Q3 FY2009.
- Dec. – Decision to integrate US-based Planova™ virus removal filter and bioprocess equipment businesses in North America into a single bioprocess business entity, Asahi Kasei Bioprocess; start-up in Jan. 2010.

Sales of Health Care segment

(¥ billion)

		FY 2008			FY 2009	
		Oct.–Dec.	Apr.–Dec.	Total	Oct.–Dec.	Apr.–Dec.
	Pharmaceuticals	13.4	43.8	56.3	14.4	41.1
	Others	2.3	7.7	10.3	1.7	5.7
Asahi Kasei Pharma consolidated		15.6	51.5	66.6	16.0	46.8
Devices*		13.9	40.9	53.0	13.5	39.1
Total		29.6	92.4	119.6	29.6	85.9

* Asahi Kasei Kuraray Medical, Asahi Kasei Medical and their affiliate companies.

Main pharmaceuticals domestic sales

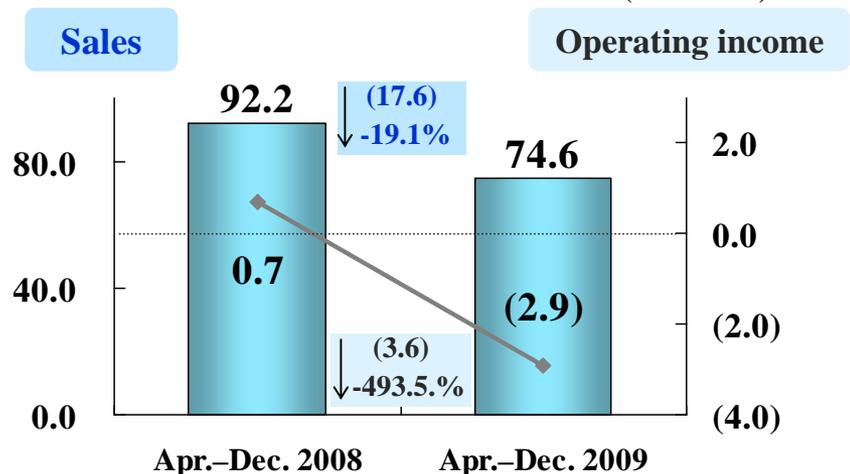
(¥ billion)

	FY 2008			FY 2009	
	Oct.–Dec.	Apr.–Dec.	Total	Oct.–Dec.	Apr.–Dec.
Elcitonin™	3.5	10.3	13.2	3.7	10.9
Flivas™	2.8	7.3	9.8	3.8	10.6
Bredinin™	1.7	4.8	6.2	1.8	5.1
Toledomin™	1.2	4.1	5.7	1.3	3.9
Eril™	0.4	1.1	1.4	0.4	1.1
Recomodulin™	0.2	0.4	0.4	0.4	0.9

Pharmaceutical pipeline

Development stage	Product	Objective	Class	Indication
Phase III	AT-877 (Injection)	Additional indication	Rho-kinase inhibitor	Acute cerebral infarction
	PTH (Injection)	New biologic	Synthetic human parathyroid hormone	Osteoporosis
	AK-120 (Oral)	Additional indication	Famciclovir antiviral	Herpes simplex
Phase II	AT-877 (Oral)	Additional indication New dosage form	Rho-kinase inhibitor	Pulmonary hypertension
Preparing for Phase II	AK150 (Injection)	New chemical entity	Pentosan polysulfate	Osteoarthritis

(¥ billion)

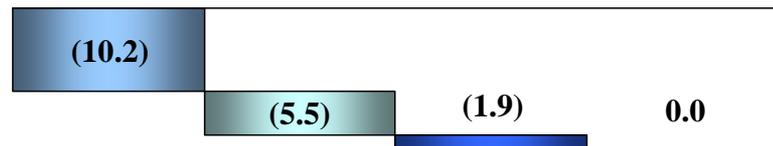


Review of operations

Sales and operating income decrease.

- Roica™ elastic polyurethane filament
Decline in market prices.
- Bemberg™ regenerated cellulose
Decreased shipments and impact of appreciation of the yen.
- Nonwovens
Decreased shipments, particularly of spunbond.
- Leona™ nylon 66 filament
Increased shipments in air-bag applications, but decreased shipments in tire cord applications.

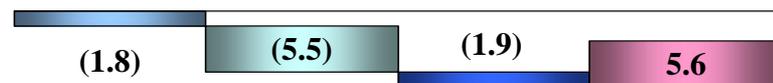
Sales increases/decreases



Increase (decrease) due to:

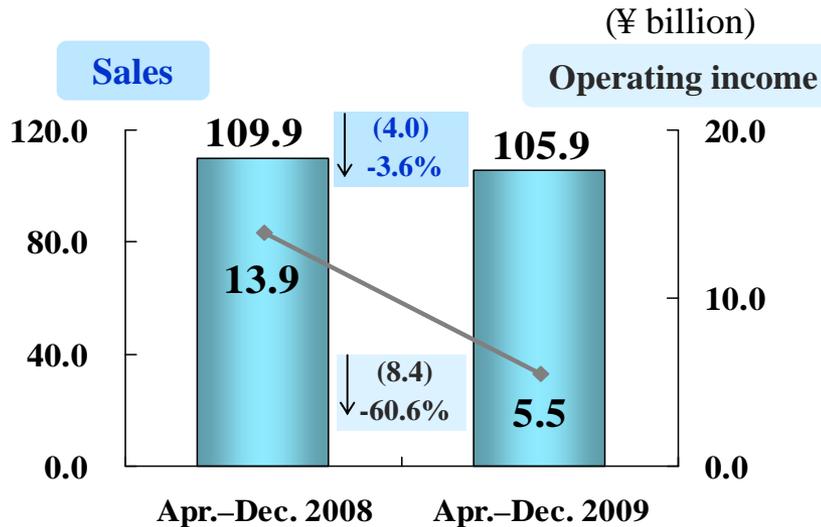
Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

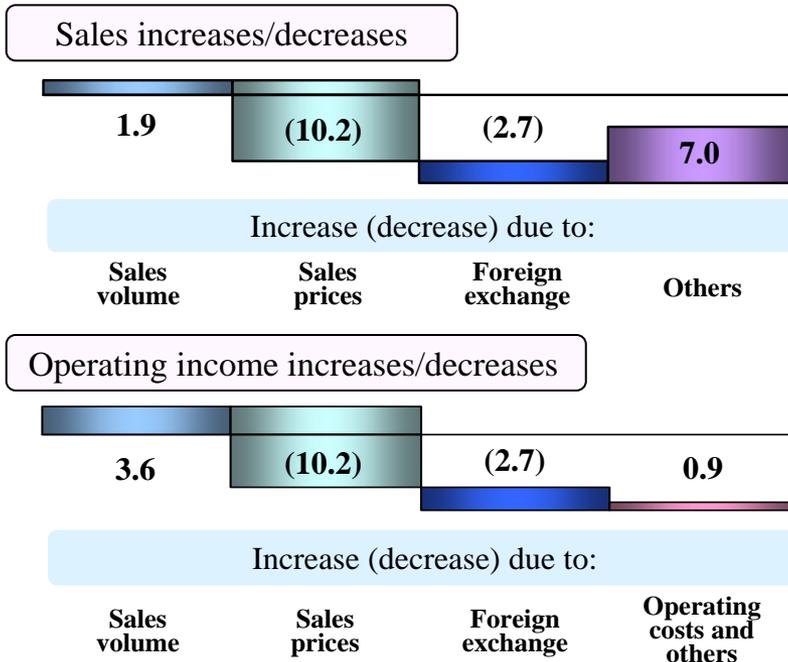
Sales volume Sales prices Foreign exchange Operating costs and others



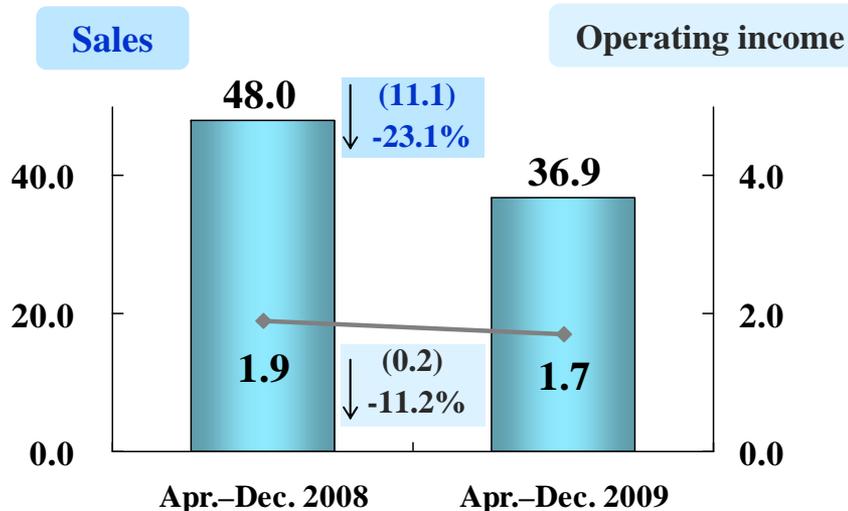
Review of operations

Sales and operating income decrease.

- Electronic devices
Consolidation of new subsidiary. Increased shipments of LSIs for new applications. Sluggish recovery of shipments of LSIs for conventional applications. Decreased shipments of magnetic sensors. Impact of the appreciating yen. Sales increase, but operating income decrease.
- Electronic materials
Recovery trend notably in Hipore™ Li-ion rechargeable battery separator. Impact of decline in sales prices. Sales and operating income decrease.



(¥ billion)



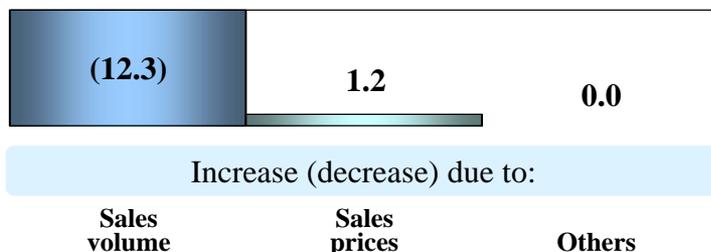
Review of operations

Development of new applications and reduction of operating costs advanced. Decreased shipments of Hebel™ autoclaved aerated concrete (AAC) panels and other AAC-related products, piles and other foundation systems, and thermal insulation panels with a decline in new construction starts. Sales and operating income decrease.

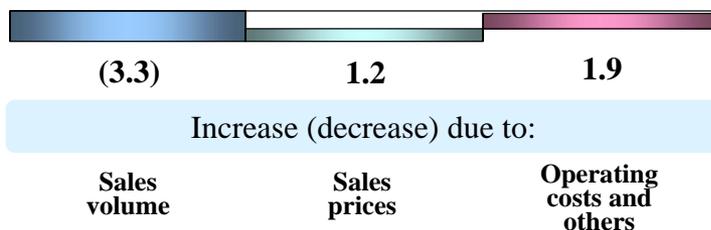
Highlights

- Jan. – Decision to close one of two production lines for Hebel™ AAC in Hozumi in Sep. 2010.

Sales increases/decreases



Operating income 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.