



KUREHA CORPORATION

3-3-2, Nihonbashi-Hamacho, Chuo-ku, Tokyo 103-8552, Japan

Consolidated Financial Results for the year ended March 31, 2014 [Japanese GAAP]



1. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	Prior fiscal year (As of March 31, 2013)	(Millions of yen) Current fiscal year (As of March 31, 2014)
ASSETS		
Current assets:		
Cash and time deposits	9,954	8,726
Trade notes and accounts receivable	27,480	30,445
Inventories	25,318	28,101
Deferred tax assets	2,129	2,680
Others	3,418	3,591
Less: Allowance for doubtful accounts	(92)	(118)
Total current assets	68,210	73,429
Property, plant and equipment, net:		
Buildings and structures, net	32,176	33,378
Machinery, equipment and vehicles, net	35,680	39,178
Land	13,467	13,198
Construction in progress	15,681	23,426
Others, net	2,438	2,501
Total property, plant and equipment, net	99,444	111,684
Investments and other assets:		
Investments in securities	28,333	31,682
Long-term loans	2,060	2,070
Net defined benefit asset	—	34
Deferred tax assets	1,371	1,524
Others	6,033	4,170
Less: Allowance for doubtful accounts	(169)	(138)
Total investments and other assets	37,629	39,345
Total assets	205,284	224,459

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
LIABILITIES AND NET ASSETS		
Current liabilities:		
Trade notes and accounts payable	15,940	16,453
Short-term loans payable including current portion of long-term debt	18,088	18,606
Other payables	7,146	6,149
Accrued income taxes	1,899	2,526
Accrued expenses	4,854	5,347
Accrued bonuses	2,283	2,591
Reserve for environmental measures	—	21
Others	2,665	5,340
Total current liabilities	52,877	57,037
Long-term liabilities:		
Long-term debt	50,359	56,619
Deferred tax liabilities	2,794	1,836
Reserve for employees' retirement benefits	556	—
Retirement allowance for directors and corporate auditors	341	284
Reserve for environmental measures	474	437
Net defined benefit liability	—	440
Asset retirement obligations	797	792
Others	871	819
Total long-term liabilities	56,195	61,231
Total liabilities	109,073	118,268
Net assets:		
Shareholders' equity:		
Capital, non par value	12,460	12,460
Authorized : March 31, 2014 and 2013		
- 600,000,000 shares		
Issued: March 31, 2014 and 2013		
- 181,683,909 shares		
Capital surplus	10,017	10,013
Retained earnings	72,614	78,289
Less: Treasury stock, at cost	(4,510)	(4,483)
Total shareholders' equity	90,580	96,279
Accumulated other comprehensive income (loss):		
Unrealized gain on available-for-sale securities	5,636	5,649
Deferred loss on hedges	(32)	(17)
Translation adjustments	(2,300)	3,621
Remeasurements of defined benefit plans	—	(1,771)
Total accumulated other comprehensive income	3,303	7,481
Stock acquisition rights	62	51
Minority interests	2,264	2,378
Total net assets	96,211	106,190
Total liabilities and net assets	205,284	224,459

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

	(Millions of yen)	
	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Net sales	130,550	148,124
Cost of sales	96,782	109,034
Gross profit	33,767	39,089
Selling, general and administrative expenses	25,309	27,187
Operating income	8,458	11,902
Other income (expenses):		
Interest and dividend income	643	660
Interest expense	(820)	(732)
Foreign exchange gains	457	761
Subsidy income	311	477
Gain on sales of investments in securities	3	193
Compensation income	148	77
Gain on sales of property, plant and equipment	6	15
Loss on disposal and sales of property, plant and equipment	(810)	(1,183)
Advanced depreciation of property, plant and equipment	(148)	(424)
Loss on debt waiver of receivables against affiliates	—	(300)
Impairment loss	—	(133)
Loss due to disaster	—	(117)
Depreciation of idle assets	(1,431)	—
Provision for environmental measures	(263)	—
Other, net	(1,091)	(570)
Other expenses, net	(2,992)	(1,273)
Income before income taxes and minority interests	5,466	10,629
Income taxes		
Current	2,466	3,647
Deferred	(168)	(624)
Total income taxes	2,297	3,023
Net income before minority interests	3,168	7,605
Minority interests	(44)	240
Net income	3,212	7,365

Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Net income before minority interests	3,168	7,605
Other comprehensive income (loss):		
Unrealized gain on available-for-sale securities	2,037	33
Deferred gain (loss) on hedges	(26)	15
Translation adjustments	2,560	5,396
Share of other comprehensive income in affiliates	211	580
Total other comprehensive income	4,782	6,026
Comprehensive income	7,951	13,632
Comprehensive income attributable to:		
Owners of parent	7,961	13,314
Owners of minority interests	(9)	317

(3) Consolidated Statements of Changes in Net Assets
Prior fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
BALANCE-APRIL 1, 2012	12,460	9,149	71,988	(4,546)	89,051
Changes of items during the period					
Change of scope of consolidation					—
Dividends paid			(1,716)		(1,716)
Net income			3,212		3,212
Acquisition of treasury stock				(1)	(1)
Disposal of treasury stock		0		37	38
Others		866	(870)		(3)
Change of items other than shareholders' equity, net					
Total changes of items during the period	—	867	625	36	1,528
BALANCE-MARCH 31, 2013	12,460	10,017	72,614	(4,510)	90,580

(Millions of yen)

	Accumulated other comprehensive income					Stock acquisition rights	Minority interest	Total net assets
	Unrealized gain on available-for-sale securities	Deferred loss on hedges	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
BALANCE-APRIL 1, 2012	3,609	(5)	(5,048)	—	(1,444)	82	864	88,554
Changes of items during the period								
Change of scope of consolidation								—
Dividends paid								(1,716)
Net income								3,212
Acquisition of treasury stock								(1)
Disposal of treasury stock								38
Others								(3)
Net change of items other than shareholders' equity	2,026	(26)	2,748	—	4,748	(20)	1,400	6,127
Total changes of items during the period	2,026	(26)	2,748	—	4,748	(20)	1,400	7,656
BALANCE-MARCH 31, 2013	5,636	(32)	(2,300)	—	3,303	62	2,264	96,211

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Shareholders' equity				
	Capital	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
BALANCE-APRIL 1, 2013	12,460	10,017	72,614	(4,510)	90,580
Changes of items during the period					
Change of scope of consolidation			25		25
Dividends paid			(1,717)		(1,717)
Net income			7,365		7,365
Acquisition of treasury stock				(4)	(4)
Disposal of treasury stock		(3)	(0)	31	27
Others			2		2
Net change of items other than shareholders' equity					
Total changes of items during the period	—	(3)	5,675	27	5,699
BALANCE-MARCH 31, 2014	12,460	10,013	78,289	(4,483)	96,279

(Millions of yen)

	Accumulated other comprehensive income					Stock acquisition rights	Minority interest	Total net assets
	Unrealized gain on available-for-sale securities	Deferred loss on hedges	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
BALANCE-APRIL 1, 2013	5,636	(32)	(2,300)	—	3,303	62	2,264	96,211
Changes of items during the period								
Change of scope of consolidation								25
Dividends paid								(1,717)
Net income								7,365
Acquisition of treasury stock								(4)
Disposal of treasury stock								27
Others								2
Net change of items other than shareholders' equity	12	15	5,921	(1,771)	4,177	(10)	113	4,280
Total changes of items during the period	12	15	5,921	(1,771)	4,177	(10)	113	9,979
BALANCE-MARCH 31, 2014	5,649	(17)	3,621	(1,771)	7,481	51	2,378	106,190

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Cash flows from operating activities:		
Income before income taxes and minority interests	5,466	10,629
Adjustments for:		
Impairment loss	—	133
Depreciation	8,882	9,320
Amortization of goodwill	77	34
Decrease in allowance for doubtful accounts	(127)	(15)
Increase in prepaid pension expense	(184)	—
Increase in net defined benefit asset	—	(656)
Decrease in reserve for employees' retirement benefits	(104)	—
Decrease in net defined benefit liability	—	(66)
Increase (decrease) in retirement allowance for directors and corporate auditors	5	(57)
Decrease in allowance for loss due to disaster	(579)	—
Increase (decrease) in provision for environmental measures	311	(15)
Interest and dividend income	(644)	(661)
Interest expenses	820	732
Loss on disposal and sale of property, plant and equipment	803	1,167
Gain on sale of investments in securities	(3)	(193)
Decrease (increase) in trade notes and accounts receivable	3,027	(2,278)
Increase in inventories	(2,734)	(1,895)
Decrease (increase) in other assets	198	(177)
Decrease in trade notes and accounts payable	(3,737)	(315)
Increase in other liabilities	748	919
Other, net	(1,051)	(355)
Subtotal	11,174	16,248
Dividends and interest received	1,100	1,525
Interest paid	(830)	(737)
Income taxes paid	(1,198)	(2,978)
Net cash provided by operating activities	10,246	14,058
Cash flows from investing activities:		
Payments for purchases of property, plant and equipment	(18,992)	(18,056)
Proceeds from sales of property, plant and equipment	113	72
Payments for disposal of property, plant and equipment	(538)	(772)
Purchase of investments in securities	(243)	(2,446)
Proceeds from sales of investments in securities	33	1,161
Payments of loans receivable	(210)	(332)
Proceeds from collection of loans receivable	315	175
Purchase of shares in subsidiaries	—	(244)
Other, net	(72)	(0)
Net cash used in investing activities	(19,595)	(20,444)

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Cash flows from financing activities:		
Net increase in commercial paper	—	2,000
Net increase in short-term loans payable	573	1,759
Proceeds from long-term debt	5,284	9,598
Repayments of long-term debt	(5,070)	(6,826)
Proceeds from issuance of bonds with stock acquisition rights	14,923	—
Redemption of bonds	(5,000)	—
Proceeds from stock issuance to minority shareholders	1,455	33
Dividends paid	(1,716)	(1,717)
Dividends paid to minority shareholders	(15)	(12)
Other, net	(169)	(162)
Net cash provided by financing activities	10,264	4,673
Effect of exchange rate changes on cash and cash equivalents	181	381
Net increase (decrease) in cash and cash equivalents	1,097	(1,331)
Cash and cash equivalents at the beginning of the fiscal year	8,857	9,954
Increase in cash and cash equivalents resulting from inclusion of consolidated subsidiaries	—	102
Cash and cash equivalents at the end of the fiscal year	9,954	8,726

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Basis of presenting consolidated financial statements)

1. Scope of consolidation

(1) The number of consolidated subsidiaries: 36

The names of the consolidated subsidiaries of Kureha Corporation (the “Company”):

Kureha Trading Co., Ltd., Kureha Unyu Co., Ltd., Kurehanishiki Construction Co., Ltd., Kureha Gohsen Co., Ltd., Kureha Service Co., Ltd., Kureha Ecology Management Co., Ltd., Kureha Engineering Co., Ltd., Kureha Extech Co., Ltd., Kureha Special Laboratory Co., Ltd., Kureha Staff Service Co., Ltd., Extron Japan Co., Ltd., Kureha Battery Materials Japan Co., Ltd., KREHALON INDUSTRIE B.V. (The Netherlands), KUREHA GmbH (Germany), KUREHA EUROPE B.V. (The Netherlands), KUREHA AMERICA INC. (USA), KUREHA CHEMICALS SHANGHAI CO., LTD. (China), KUREHA PGA LLC (USA), KUREHA VIETNAM CO., LTD. (Vietnam), KUREHA (CHINA) INVESTMENT CO., LTD. (China), KUREHA (CHANGSHU) FLUOROPOLYMERS CO., LTD. (China)

(2) The number of non-consolidated subsidiary: 1

The name of non-consolidated subsidiary: Krefine Co., Ltd.

Krefine Co., Ltd. has been excluded from the scope of consolidation because its amounts of total assets, net income and retained earnings are immaterial and do not have a significant effect on the consolidated financial statements.

2. Summary of significant accounting policies

Accounting policy for retirement benefits

(1) Method of attributing the projected benefits to periods of services

In calculating the retirement benefit obligations, the projected benefit obligations attributable up to the end of the fiscal year are accounted for by straight-line basis.

(2) Actuarial gain or loss and past service cost

Past service cost is fully amortized when incurred.

Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized, on a straight-line basis over certain periods within the employees’ average remaining service years.

(3) Adopting the simplified method for small companies

Certain domestic consolidated subsidiaries calculate their retirement benefit obligations using the liability which would be paid if all the employees voluntarily retired at each date of the consolidated balance sheet or liability reserve for pension financing calculation purpose.

(Changes in accounting policies)

The Company has adopted “Accounting Standard for Retirement Benefits” (ASBJ Statement No.26, May 17, 2012, hereinafter “Retirement Benefits Standard”) and “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No.25, May 17, 2012, hereinafter “Retirement Benefits Guidance”), excluding those set forth in paragraph 35 of “Retirement Benefits Standard” and paragraph 67 of “Retirement Benefits Guidance,” from the end of the current fiscal year. The Company changed its accounting to recognize the difference between projected benefit obligations and plan assets as net defined benefit liability and unrecognized actuarial differences are recognized as net defined benefit liability.

The Retirement Benefits Standard and other accounting methods are applied in accordance with the transitional provisions set forth in paragraph 37 of the Retirement Benefits Standard, the effect of the changes in accounting policies is reflected in accumulated adjustment related to retirement benefits under accumulated other comprehensive income at the end of the current fiscal year.

As a result, net defined benefit asset of ¥34 million and net defined benefit liability of ¥440 million are recognized at the end of the current fiscal year. In addition, accumulated other comprehensive income and minority interests decreased by ¥1,771 million and ¥26 million, respectively.

The effect of this change on per share information is noted in the corresponding section.

Accounting policies except for those described above has been omitted since there are no significant changes from the latest Securities Report (submitted on June 25, 2013).

(Notes to Consolidated Balance Sheets)

1. Accumulated depreciation of property, plant and equipment

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
	162,419	169,165

2. Assets pledged as collateral

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Buildings and structures	17,273	16,723
Machinery, equipment and vehicles	13,627	12,474
Land	3,897	3,897
Investments in securities	4,632	4,452
Total	39,430	37,548

3. Guarantee liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Guarantees of employees' bank loans	128	86

(Notes to Consolidated Statements of Income)

1. Research and development expenses

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
	4,389	4,586

2. Impairment loss

The Company and its consolidated subsidiaries (collectively the "Group") have recognized impairment loss for the following asset group for the current fiscal year.

Purpose of use	Type of assets	Location
Idle assets	Land	Tanba City, Hyogo Prefecture

In principle, the Group has grouped the operating assets by business units and idle assets by individual properties. For the above mentioned idle asset for which the market value has been declining, the Group reduced it to the recoverable value and recognized the reduction as impairment loss of ¥133 million under other expenses. The recoverable value is measured by the net sales price, determined reasonably based on assessed value of fixed assets for property tax.

(Notes to Consolidated Statements of Changes in Net Assets)

Prior fiscal year (From April 1, 2012 To March 31, 2013)

1. Issued stock

Type of share	At the beginning of the prior fiscal year	Increase	Decrease	At the end of the prior fiscal year
Common stock (Shares)	181,683,909	—	—	181,683,909

2. Treasury stock

Type of share	At the beginning of the prior fiscal year	Increase	Decrease	At the end of the prior fiscal year
Common stock (Shares)	10,031,300	5,152	83,500	9,952,952

(Outline of reasons for change)

Detail of the increase was as follows:

Due to purchase of shares less than one unit: 5,152 shares

Detail of the decrease was as follows:

Due to exercise of stock options: 83,500 shares

3. Stock acquisition rights

Company	Description	Type of share to be issued	Number of shares to be issued (Shares)				Balance at the end of the prior fiscal year (Millions of yen)
			At the beginning of the prior fiscal year	Increase	Decrease	At the end of the prior fiscal year	
The Company	Stock acquisition rights as stock options	—	—				62

4. Dividends

(1) Dividends paid

Date of approval	Type of share	Amount (Millions of yen)	Amount per share (Yen)	Record date	Effective Date
April 17, 2012 Board of Directors	Common stock	858	5	March 31, 2012	June 4, 2012
October 16, 2012 Board of Directors	Common stock	858	5	September 30, 2012	December 4, 2012

(2) Dividends for which the record date falls in the prior fiscal year, but the effective date falls in the following fiscal year

Date of approval	Type of share	Source of dividend	Amount (Millions of yen)	Amount per share (Yen)	Record date	Effective Date
April 23, 2013 Board of Directors	Common stock	Retained Earnings	858	5	March 31, 2013	June 4, 2013

Current fiscal year (From April 1, 2013 To March 31, 2014)

1. Issued stock

Type of share	At the beginning of the current fiscal year	Increase	Decrease	At the end of the current fiscal year
Common stock (Shares)	181,683,909	—	—	181,683,909

2. Treasury stock

Type of share	At the beginning of the current fiscal year	Increase	Decrease	At the end of the current fiscal year
Common stock (Shares)	9,952,952	9,932	69,880	9,893,004

(Outline of reasons for change)

Detail for the increase was as follows:

Due to purchase of shares less than one unit: 9,932 shares

Details of the decrease were as follows:

Due to exercise of stock options: 69,100 shares

Due to sales of shares less than one unit: 780 shares

3. Stock acquisition rights

Company	Description	Type of share to be issued	Number of shares to be issued (Shares)				Balance at the end of the current fiscal year (Millions of yen)
			At the beginning of the current fiscal year	Increase	Decrease	At the end of the current fiscal year	
The Company	Stock acquisition rights as stock options	—	—				51

4. Dividends

(1) Dividends paid

Date of approval	Type of share	Amount (Millions of yen)	Amount per share (Yen)	Record date	Effective Date
April 23, 2013 Board of Directors	Common stock	858	5	March 31, 2013	June 4, 2013
October 15, 2013 Board of Directors	Common stock	858	5	September 30, 2013	December 3, 2013

(2) Dividends for which the record date falls in the current fiscal year, but the effective date falls in the following fiscal year

Date of approval	Type of share	Source of dividend	Amount (Millions of yen)	Amount per share (Yen)	Record date	Effective Date
April 15, 2014 Board of Directors	Common stock	Retained Earnings	1,030	6	March 31, 2014	June 3, 2014

(Securities)

Current fiscal year (as of March 31, 2014)

1. Available-for-sale Securities

(Millions of yen)

	Type	Carrying amount	Acquisition Cost	Unrealized gain (loss)
Carrying amount in consolidated balance sheets exceeds acquisition cost	Stock	17,973	8,768	9,204
Carrying amount in consolidated balance sheets does not exceed acquisition cost	Stock	2,824	3,157	(332)
Total		20,798	11,926	8,872

(Note) Regarding unlisted stocks (215 million yen on the consolidated balance sheets), as market prices are not available and also the future cash flows cannot be estimated, the fair values of the items are deemed to be extremely difficult to measure, and are not included in the figures above.

2. Available-for-sale securities sold during the current fiscal year

(Millions of yen)

Type	Proceeds from sales	Gross realized gain	Gross realized loss
Stock	1,161	193	—

(Income Taxes)

Current fiscal year (as of March 31, 2014)

Significant components of deferred tax assets and liabilities

(Millions of yen)

(Deferred tax assets)

Tax loss carried forward	6,307
Unrealized gain on fixed assets	1,134
Accrued bonuses	865
Accrued expenses	596
Accumulated depreciation	516
Others	3,747
Sub-total	13,167
Valuation allowance	(1,517)
Total deferred tax assets	11,649

(Deferred tax liabilities)

Shortfall in depreciation	(5,648)
Net unrealized gain on available-for-sale securities	(3,112)
Others	(527)
Total deferred tax liabilities	(9,287)
Net deferred tax assets	2,361

Revisions to amounts of deferred tax assets and deferred tax liabilities due to change in rate of income taxes

On March 31, 2014, "Partial Amendment of the Income Tax Act" (Act No.10 of 2014), "Partial Amendment of the Local Tax Act" (Act No. 4 of 2014) and "Local Corporate Tax Act" (Act No.11 of 2014) were promulgated, according to which the Special Reconstruction Corporation Tax will no longer be imposed from the consolidated fiscal years beginning on or after April 1, 2014. Accordingly, for temporary differences expected to be reversed in the fiscal year beginning on April 1, 2014, the effective tax rate applied to the calculation of deferred tax assets and liabilities will be lowered from 37.75% in the prior fiscal year to 35.38%.

The effect of this change is immaterial.

(Segment Information, etc.)

a. Segment Information

1. Overview of the reportable segments

The Company's reportable segments are determined on the basis that separate financial information of such segments are available and examined periodically by the Board of Directors to make decisions regarding the allocation of management resources and assess the business performances of such segments within the Group. The Company has separate divisions by product, and each division formulates a comprehensive strategy for business activities in domestic and overseas markets.

Thus, the Company consists of segments by product and service on the basis of the business divisions, and "Advanced materials," "Specialty chemicals," "Specialty plastics," "Construction related," and "Other operations" are 5 reportable segments.

Major products and services for each segment are as follows:

Segment	Products and services
Advanced materials	PPS resin, PVDF resin, carbon fiber, bead-shaped activated carbon, anode materials for lithium ion batteries, PGA (polyglycolic acid) resin
Specialty chemicals	Therapeutic agent for chronic renal failure, anti cancer agent, agricultural and horticultural fungicide, caustic soda, hydrochloric acid, sodium hypochlorite, m-nitrochlorobenzene, para-dichlorobenzene, ortho-dichlorobenzene
Specialty plastics	Household-use plastic wrap, garbage bags for kitchen sink, food containers and cooking paper, PVDF fishing line, PVDC film, PVDC compound, multilayer heat-shrinkable film, multilayer bottle, machinery for auto-seal food packaging
Construction related	Civil engineering and construction contracting business, industrial facility design, construction and management service
Other operations	Environmental engineering and industrial waste management business, transport and warehousing business, laboratory tests, analysis, measurement, and inspection service

2. Valuation method for net sales, income (loss), assets, liabilities and other items by reportable segment

The reportable segment income figures are based on operating income. Inter-segment internal rates of return and the amounts transferred are presented based on the current market prices at the time of this report.

3. Information on amount of net sales, income (loss), assets, liabilities and other items by reportable segment

Prior fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Consolidated (Note 2)
	Advanced materials	Specialty chemicals	Specialty plastics	Construction related	Other	Total		
Net sales:								
Outside customers	27,650	32,833	40,900	14,967	14,197	130,550	—	130,550
Inter-segment	1,525	256	1,103	7,506	7,099	17,491	(17,491)	—
Total	29,176	33,089	42,004	22,474	21,296	148,041	(17,491)	130,550
Operating income (loss)	(2,131)	6,136	2,988	1,038	613	8,645	(186)	8,458
Assets	70,462	21,865	34,579	9,214	13,433	149,554	55,730	205,284
Other items								
Depreciation	3,796	1,142	1,441	109	724	7,214	1,668	8,882
Adjustment for increase in fixed assets	8,740	1,369	6,365	103	947	17,526	2,457	19,984

Notes: 1. Adjustment for segment operating income (loss) is due to inter-segment elimination.

Adjustment for segment assets includes corporate assets such as cash and cash equivalents, investments in securities, and other corporate shared facilities that are not allocated to each reportable segment.

2. Segment operating income (loss) is adjusted with operating income on the consolidated statements of income.

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Reportable segment						Adjustment (Note 1)	Consolidated (Note 2)
	Advanced materials	Specialty chemicals	Specialty plastics	Construction related	Other	Total		
Net sales:								
Outside customers	32,815	36,615	45,291	17,238	16,163	148,124	—	148,124
Inter-segment	1,781	311	1,227	5,705	6,650	15,676	(15,676)	—
Total	34,596	36,926	46,519	22,943	22,814	163,800	(15,676)	148,124
Operating income (loss)	(2,625)	7,341	4,519	833	1,621	11,689	212	11,902
Assets	81,360	22,028	42,973	10,394	13,684	170,441	54,017	224,459
Other items								
Depreciation	3,918	1,111	1,608	116	744	7,499	1,596	9,096
Adjustment for increase in fixed assets	4,049	1,004	8,207	84	845	14,191	2,277	16,468

Notes: 1. Adjustment for segment operating income (loss) is due to inter-segment elimination.

Adjustment for segment assets includes corporate assets such as cash and cash equivalents, investments in securities, and other corporate shared facilities that are not allocated to each reportable segment.

2. Segment operating income (loss) is adjusted with operating income on the consolidated statements of income.

b. Related Information

Prior fiscal year (From April 1, 2012 To March 31, 2013)

1. Information by product and service

Information is omitted since similar description has been disclosed in the segment information.

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	Europe	Asia	Other	Total
98,269	14,631	11,370	6,277	130,550

Note: Net sales are categorized by country and regions based on customer's location.

(2) Property, plant and equipment

(Millions of yen)

Japan	United States	Other	Total
73,214	16,914	9,315	99,444

3. Information by major customer

There are no customers accounting for 10% or more of net sales on the consolidated statements of income for the fiscal year ended March 31, 2013.

Current fiscal year (From April 1, 2013 To March 31, 2014)

1. Information by product and service

Information is omitted since similar description has been disclosed in the segment information.

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	Europe	Asia	Other	Total
105,588	12,712	14,184	15,638	148,124

Note: Net sales are categorized by country and regions based on customer's location.

(2) Property, plant and equipment

(Millions of yen)

Japan	United States	Other	Total
78,431	19,438	13,814	111,684

3. Information by major customer

There are no customers accounting for 10% or more of net sales on the consolidated statements of income for the fiscal year ended March 31, 2014.

c. Information on impairment loss of fixed assets by reportable segment

Prior fiscal year (From April 1, 2012 To March 31, 2013)

Not applicable.

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Reportable segment						Adjustment	Consolidated
	Advanced materials	Specialty chemicals	Specialty plastics	Construction related	Other	Total		
Impairment loss	—	—	133	—	—	133	—	133

(Per Share Information)

(Yen)

Current fiscal year (From April 1, 2013 To March 31, 2014)	
Net assets per share	604.00
Net income per share	42.87
Diluted net income per share	35.65

Notes: 1. Net income per share and diluted net income per share were calculated based on the following data:

	Current fiscal year (From April 1, 2013 To March 31, 2014)
Net income per share:	
Net income (Millions of yen)	7,365
Amount not attributed to common shareholders (Millions of yen)	—
Net income attributed to common stock (Millions of yen)	7,365
Average number of common stock during the period (Shares)	171,785,145
Diluted net income per share:	
Adjustment for net income (Millions of yen)	—
Number of increased common stock (Shares):	34,799,522
(Bonds with stock acquisition rights (Shares))	(34,642,032)
(Stock acquisition rights (Shares))	(157,490)
Outline of diluted shares which were not included in the calculation of diluted net income per share because of not having dilutive effects	—

2. As described in “Changes in accounting policies”, the Company and certain consolidated subsidiaries have adopted the Retirement Benefits Standard, etc. and accounted for in accordance with the transitional provisions set forth in paragraph 37 of the Retirement Benefits Standard. As a result, net assets per share declined 10.31 yen during the current fiscal year.

(Subsequent Events)

Not applicable.