

# Summary of Consolidated Financial Results

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## 1. Summary

### 1.1 Progress toward forecasts

Operating income of 1st quarter was 5.9 billion yen, 3.0 billion higher year on year, due to yen depreciation in addition to improved margin of resins and their products with lower raw material price and its progress rate was 48% against company estimation of 1st half, 12.5 billion yen. We expect that operating income of 2nd half will be 17.5 billion yen owing to increasing shipment of products such as vaccine and diagnostic kits related with influenza. The target of operating income year ending March 2016 is 30 billion yen that is the highest ever.

### 1.2 The result of First Quarter and the forecast of Second Quarter in each segment

**Elastomers & Performance Plastics** : Earnings were increased due to gain of sales amount of chloroprene rubber by positive effect of weaker yen and improvement on profitability of styrene resins by drop of raw material prices, in addition, decrease of shutdown maintenance expense and cost in electricity also contributed to increase in income. In the second quarter we estimate rise in profit as this trend continued.

**Infrastructure & Inorganic Materials** : Although sales of special cement additives increased, shipment of cement and fertilizers reduced. As a result, earnings of this segment became lower YOY. In the second quarter it is expected that earnings will be higher owing to increasing demand for special cement additives.

**Electronics & Innovative Products** : Earnings were higher YOY because sales of ALONBRIGHT(SiAlON Phosphor) and thermally conductive substrate increased.

In the second quarter earnings is expected to increase because ALONBRIGHT will maintain a high level sales.

**Life Science & Environment Products** : However shipment of plastic gutter and insulating adhesive tape reduced, healthy sales of synthetic fiber and profitability improvement of food packaging materials contributed to increased profit. In the second quarter we expect higher earnings for similar reasons of first quarter.

### 1.3 Consolidated Financial Results and Forecast

Billions of Yen

	FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun	Incr. △Decr.
Net Sales	86.9	86.9	0.1
Operating Income	5.9	2.9	3.0
Ordinary Income	5.8	2.6	3.2
Net Income	4.4	2.0	2.3

FY2015 Forecast Apr to Sep	FY2015 Forecast Apr to Mar
185.0	390.0
12.5	30.0
11.0	27.0
8.0	19.0

## 2. Net Sales and Operating Income by segments

Billions of Yen

		FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun	Incr. △Decr.
Elastomers & Performance Plastics	Sales	39.3	39.0	0.3
	Operating Income	3.4	0.6	2.8
Infrastructure & Inorganic Materials	Sales	10.6	10.6	0.0
	Operating Income	0.0	0.6	△ 0.6
Electronics & Innovative Products	Sales	11.3	11.3	0.0
	Operating Income	1.4	1.0	0.4
Life Science & Environment Products	Sales	15.7	16.0	△ 0.3
	Operating Income	0.9	0.5	0.3
Others	Sales	10.0	9.9	0.1
	Operating Income	0.3	0.2	0.1
Companywide	Sales	—	—	—
	Operating Income	—	—	—
Total	Sales	86.9	86.9	0.1
	Operating Income	5.9	2.9	3.0

FY2015 Forecast Apr to Sep	FY2015 Forecast Apr to Mar
80.0	160.0
4.5	8.0
25.0	55.0
1.0	3.0
25.0	50.0
3.5	7.0
35.0	80.0
3.0	11.0
20.0	45.0
0.5	1.0
—	—
—	—
185.0	390.0
12.5	30.0

### 3. Key operating factors

Billions of Yen

	FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun	Incr. △Decr.
Capital expenditure	4.0	3.2	0.8
Depreciation	5.6	5.7	△ 0.1
Research and Development	3.0	2.9	0.1
Interest-bearing debt	131.3	130.8	0.5

FY2015 Forecast Apr to Sep	FY2015 Forecast Apr to Mar
12.0	24.0
11.0	23.0
6.0	11.7
140.0	130.0

	FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun
Yen / USD exchange rate	121.4	102.2
Naphtha price (yen/ Kl)	49,000	70,100

### 4. Sales by segments

Billions of Yen

	Sales				
	FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun	Incr. △Decr.	Sales price	Sales volume
Elastomers & Performance Plastics	39.3	39.0	0.3	△ 4.1	4.4
Infrastructure & Inorganic Materials	10.6	10.6	—	0.1	△ 0.1
Electronics & Innovative Products	11.3	11.3	—	0.3	△ 0.3
Life Science & Environment Products	15.7	16.0	△ 0.3	△ 0.1	△ 0.2
Others	10.0	9.9	0.1	—	0.1
Total	86.9	86.9	—	△ 3.9	4.0

### 5. Operating income by segments

Billions of Yen

	Operating income					
	FY2015 1st Quarter Apr to Jun	FY2014 1st Quarter Apr to Jun	Incr. △Decr.	Sales price	Sales volume	Operating cost and others
Elastomers & Performance Plastics	3.4	0.6	2.8	△ 4.1	0.3	6.6
Infrastructure & Inorganic Materials	—	0.6	△ 0.6	0.1	△ 0.2	△ 0.4
Electronics & Innovative Products	1.4	1.0	0.4	0.3	—	0.1
Life Science & Environment Products	0.9	0.5	0.3	△ 0.1	△ 0.4	0.9
Others	0.3	0.2	0.1	—	—	0.1
Companywide	—	—	—	—	—	—
Total	5.9	2.9	3.0	△ 3.9	△ 0.3	7.3