Regarding Impacts of the Pacific Coast of Tohoku Earthquake

We at Denki Kagaku Kogyo express our most heart-felt condolences to all those affected by the March 11, 2011 earthquake that struck the Tohoku Region of Japan.

Below, we provide information on the impacts of the earthquake on our Group's operations.

1. Regarding Employees

We have confirmed that no harm has come to any of our employees assigned to facilities in the affected areas.

2. Condition of Facilities

While some of our locations received minor damage, there was no major damage to our manufacturing facilities.

Facilities that underwent emergency shutdowns when the earthquake began and facilities where operations have been suspended because of the interruption of power supplies from electric utilities will be brought back on line one by one, as inspections determine they are safe to operate.

3. Future Actions

Our plants in Chiba, Ofuna, Isesaki, and other areas served by Tokyo Electric Power Company, and our Omi Plant and other areas served by Tohoku Electric Power Company will operate in accordance with rolling blackout and other electric supply circumstances facing them individually. However, we are also taking steps like making the most of our in-house power generation capabilities to minimize impacts on our production.

Moving forward, we will immediately provide information on any future major impacts on our production activities.

As for the impacts of the earthquake on our results forecast, the situation is unclear as of now, but we will immediately announce any major changes as they become evident.