

FACT BOOK 2010

SEKISUI CHEMICAL CO., LTD.

June 2010 update

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Financial Highlight (10 years)

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Achievement Transition										
Net Sales	913,682	845,496	799,709	814,863	856,935	885,067	926,163	958,674	934,225	858,514
Operating Income	-3,701	-3,093	14,025	23,080	36,445	40,287	45,157	43,005	33,589	35,955
Ordinary Income	309	-6,292	16,796	27,490	37,986	43,801	46,910	38,547	29,438	31,076
Net Income	-48,634	-52,108	9,298	15,019	22,286	20,229	25,538	24,300	1,013	11,627
Operating Income Ratio (%)	-0.4	-0.4	1.8	2.8	4.3	4.6	4.9	4.5	3.6	4.2

Assets, Liabilities and Equity

Total Assets	928,803	800,272	751,240	748,790	748,798	808,357	879,153	782,859	756,450	787,261
Shareholders' Equity	328,257	275,028	281,131	299,617	317,857	387,458	413,141	368,919	330,721	351,706
Shareholders' Equity to Total Assets (%)	34.9	33.9	36.5	39.0	41.4	46.7	45.9	45.8	42.6	43.4
Current Ratio (%)	88.9	77.3	87.3	95.4	105.1	114.3	99.9	117.0	109.4	120.4
Fixed Ratio (%)	179.0	189.8	181.8	168.7	148.9	130.9	133.2	122.7	132.3	129.7
Interest-bearing Debt	252,164	226,139	193,771	153,071	119,542	94,607	111,283	92,097	129,406	133,085
Debt Equity Ratio (%)	72.8	83.4	70.6	52.5	38.5	25.1	27.6	25.7	40.2	38.9
Total Assets Turnover (Times)	1.01	0.98	1.03	1.09	1.14	1.14	1.10	1.15	1.21	1.11
Inventory Turnover (Times)	9.94	9.76	10.14	10.38	10.16	9.69	9.07	8.50	7.91	7.56
Tangible Fixed Assets Turnover (Times)	3.19	3.14	3.19	3.34	3.66	3.89	3.93	3.92	3.87	3.46

Cash Flow

Net cash provided by operating activities	25,691	19,036	47,067	57,913	48,694	38,268	41,929	31,782	35,611	74,983
Net cash provided by (used in) investing activities	-42,505	-31,669	-21,097	-13,114	-1,605	14,847	-59,100	13,521	-35,403	-55,496
Net cash provided by (used in) financing activities	23,174	752	-37,010	-40,549	-38,996	-41,421	-2,484	-42,801	13,889	-5,749
Free Cash Flow	-22,298	-16,986	22,683	41,539	42,066	47,566	-23,804	37,197	-7,787	15,126

Capital expenditures, Depreciation and R&D Expenses

Capital expenditures, Depreciation and R&D Expenses	49,644	40,756	25,098	24,175	25,820	28,348	36,337	31,267	34,539	44,049
Depreciation and Amortization	47,377	44,417	28,433	26,623	26,344	25,536	26,045	30,503	36,529	34,525
R&D Expenditures	24,829	22,618	23,403	23,700	22,974	23,077	24,451	25,739	25,420	24,010
R&D Expenditures to Revenues (%)	2.72	2.68	2.93	2.91	2.68	2.61	2.64	2.68	2.72	2.80

Per Share Data

Net Assets per Share (Yen)	600.88	503.83	514.86	548.16	582.42	711.54	761.69	683.11	612.93	651.08
Net Income per Share (Yen)	-89.91	-96.75	17.43	28.00	41.48	37.78	48.19	46.16	1.93	22.13
Dividends per Share (Yen)	10.00	6.00	6.00	7.00	10.00	11.00	14.00	15.00	10.00	10.00
Dividends Payout Ratio (%)	-11.1	-6.2	34.4	25.0	24.1	29.1	29.1	32.5	518.7	45.2

Other Data

Return on Equity (%)	-13.8	-17.5	3.4	5.3	7.4	5.9	6.5	6.4	0.3	3.5
Return on Total Assets (%)	0.0	-0.7	2.2	3.7	5.1	5.6	5.6	4.6	3.8	4.0
EBITDA	43,676	41,324	42,458	49,703	62,789	65,823	71,202	73,508	70,118	70,480
Interest Coverage Ratio (Times)	-0.6	-0.5	4.7	8.9	15.2	20.6	27.3	21.9	14.8	15.2
PER (%)	-3.96	-3.84	16.06	25.39	18.78	26.39	19.49	13.06	253.89	28.65
Number of Employees	19,225	18,399	17,329	16,987	17,002	17,966	18,905	18,907	19,742	19,761
Net Sales per Employee	47.80	44.94	44.76	47.49	50.42	50.62	50.23	50.70	48.34	43.46

Shareholders' Equity to Total Assets = Shareholders' Equity / Total Assets

Current Ratio = Current Assets / Current Liabilities

Fixed Ratio = Fixed Assets / Shareholders' Equity

Debt Equity Ratio = Interest-bearing Debt / Shareholders' Equity

Total Assets Turnover = Net Sales / Average Total Assets

Inventory Turnover = Net Sales / Average Inventory

Tangible Fixed Assets Turnover = Net Sales / Average Tangible Fixed Assets

Free Cash Flow = CF Operating Activities + CF Investing Activities - Dividend Paid

R&D Expenditures to Revenues = R&D Expenditures / Net Sales

Return on Equity = Net Income / Average Shareholders' Equity

Return on Total Assets = Ordinary Income / Average Total Assets

EBITDA = Operating Income + Depreciation and Amortization

Interest Coverage Ratio = (Operating Income + Interest and Dividends) / Interest Expense

PER = Stock prices at the end of fiscal year / Net Income per Share

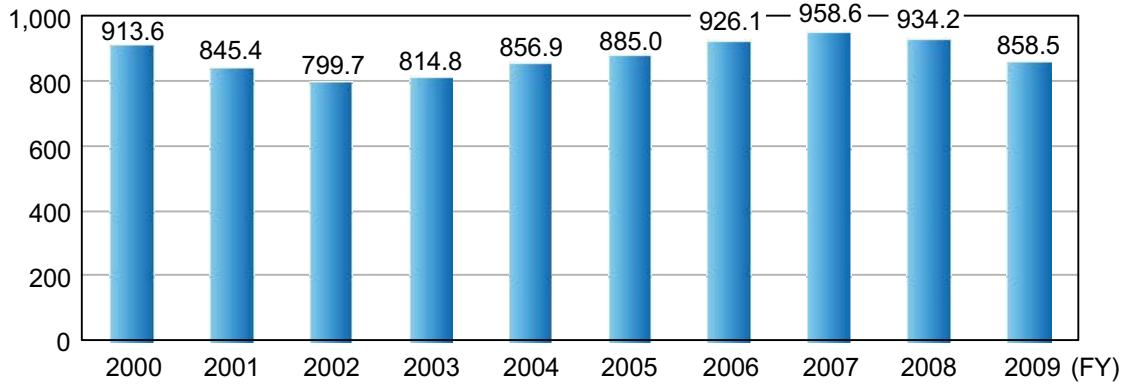
Net Sales per Employee = Net Sales / Average Number of Employees

Main Financial Data Trends

(Figures rounded down to the nearest 100 million yen)

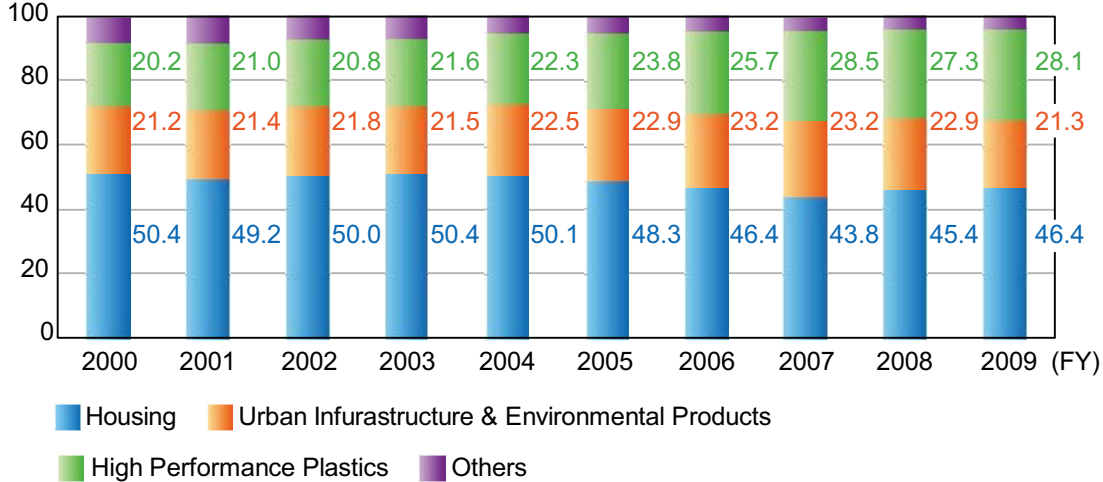
Net Sales

(Billions of yen)



Percentage of Sales by Business Segment Trends*

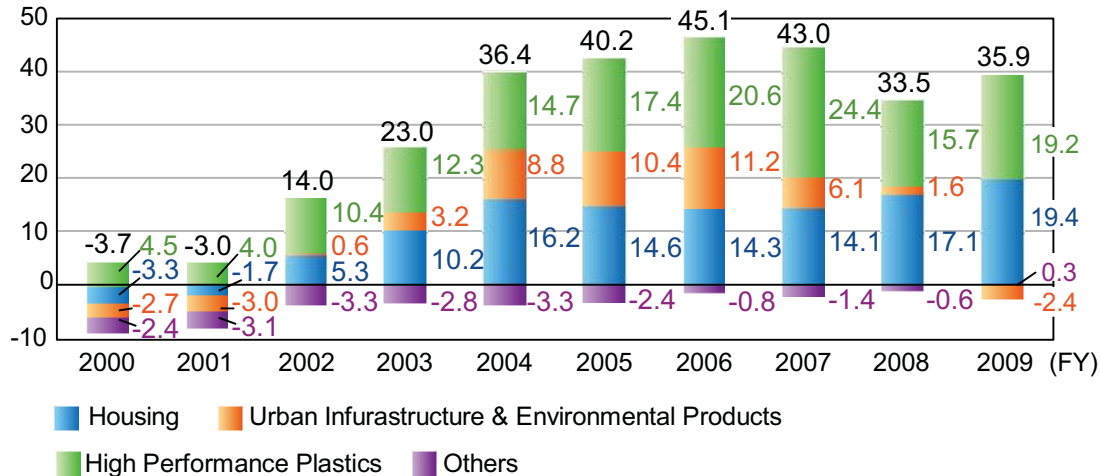
(%)



*Not Including Intersegment Sales

Operating Income Trends by Business Segment Trends

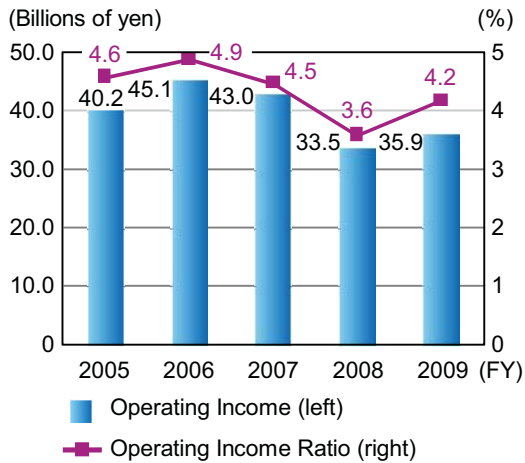
(Billions of yen)



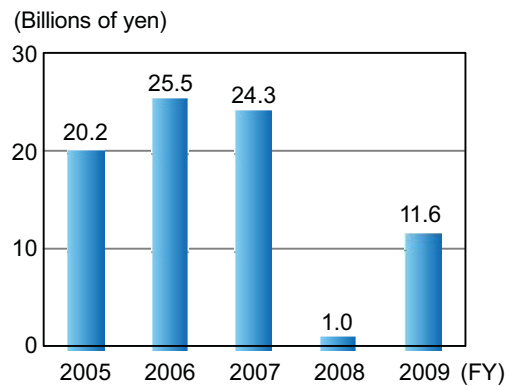
Growth

(Figures rounded down to the nearest 100 million yen)

Operating Income and Operating Income Ratio

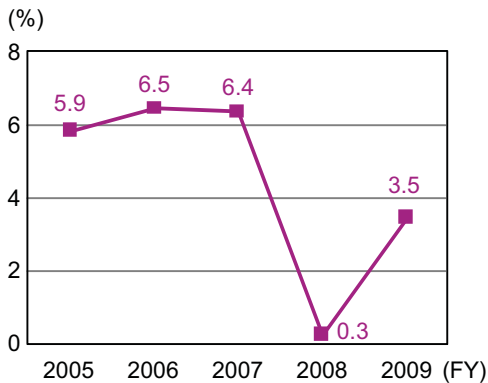


Net Income



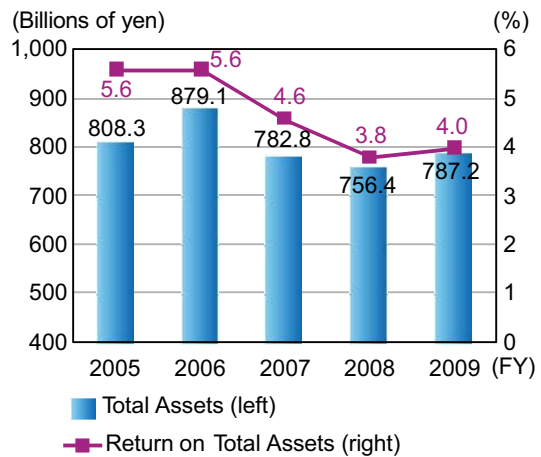
Profitability

Return on Equity



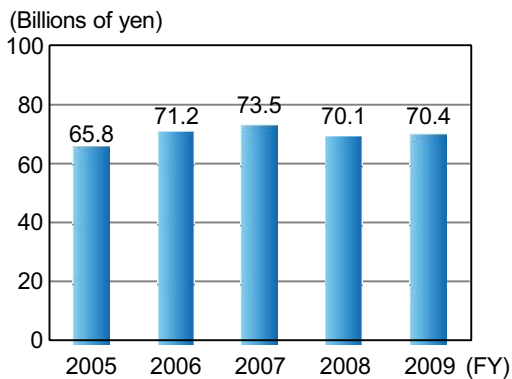
*Return on Equity = Net Income / Average Shareholders' Equity

Total Assets and Return on Total Assets



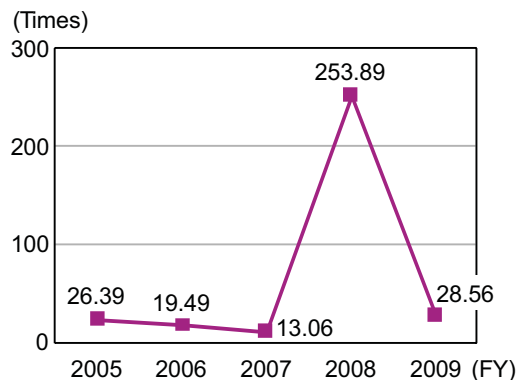
* Return on Total Assets = Ordinary Income / Average Total Assets

EBITDA



* EBITDA = Operating Income + Depreciation and Amortization

PER

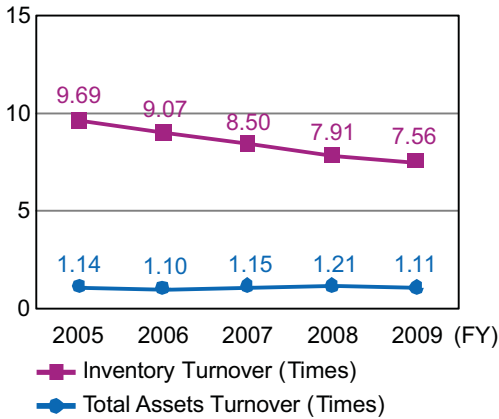


* PER = Stock prices at the end of fiscal year / Net Income per Share

Efficiency

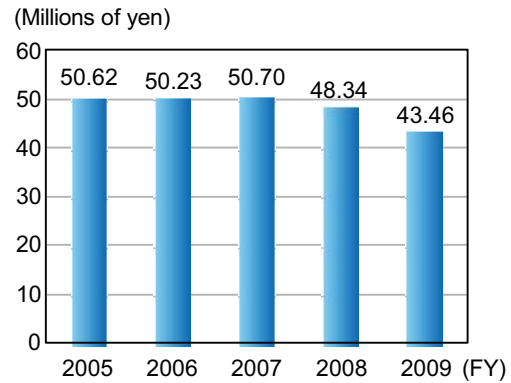
(Figures rounded down to the nearest 100 million yen)

Total Assets Turnover and Inventory Turnover



* Total Assets Turnover = Net Sales / Average Total Assets
 * Inventory Turnover = Net Sales / Average Inventory

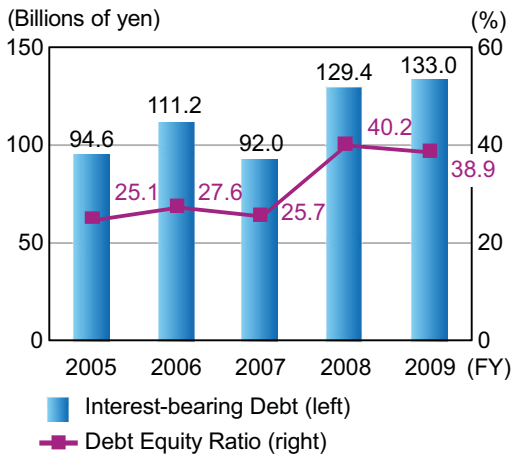
Net Sales per Employee



* Net Sales per Employee = Net Sales / Average Number of Employees (Figures rounded down to the nearest 10 thousand yen)

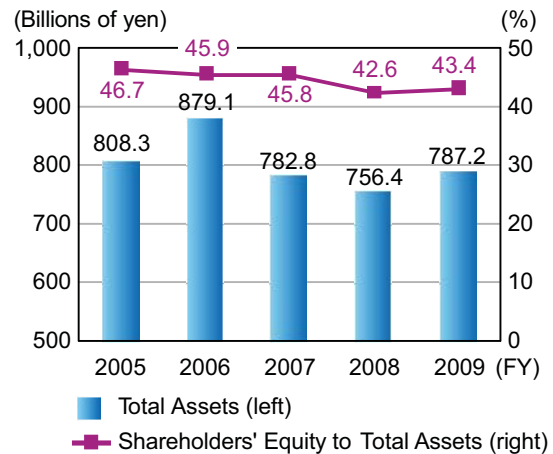
Stability

Interest-bearing Debt and Debt Equity Ratio



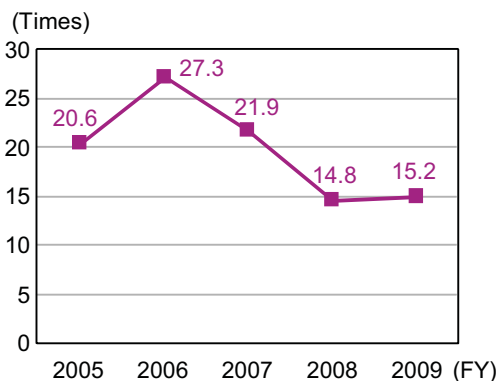
* Debt Equity Ratio = Interest-bearing Debt / Shareholders' Equity

Total Assets and Shareholders' Equity to Total Assets



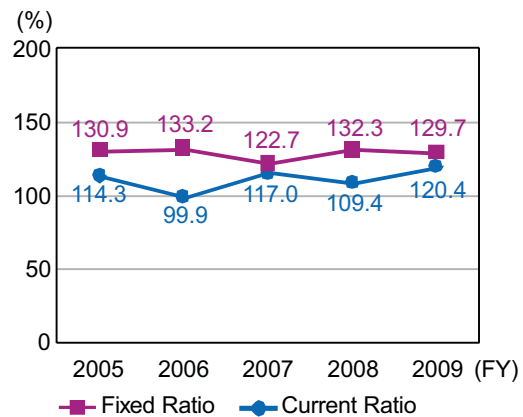
* Shareholders' Equity to Total Assets = Shareholders' Equity / Total Assets

Interest Coverage Ratio



* Interest Coverage Ratio = (Operating Income + Interest and Dividends) / Interest Expense

Current Ratio and Fixed Ratio

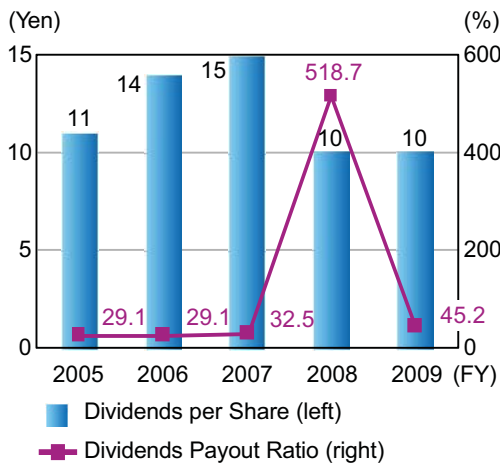


* Current Ratio = Current Assets / Current Liabilities
 * Fixed Ratio = Fixed Assets / Shareholders' Equity

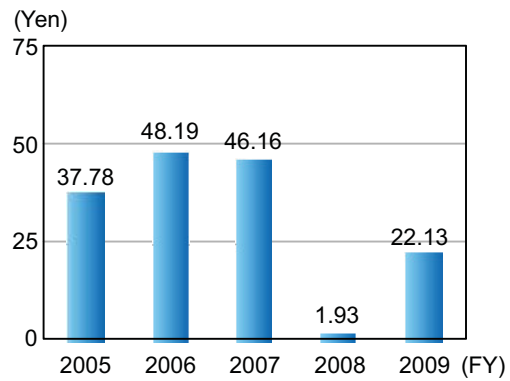
Per Share Data

(Figures rounded down to the nearest 100 million yen)

Dividends per Share and Dividends Payout Ratio

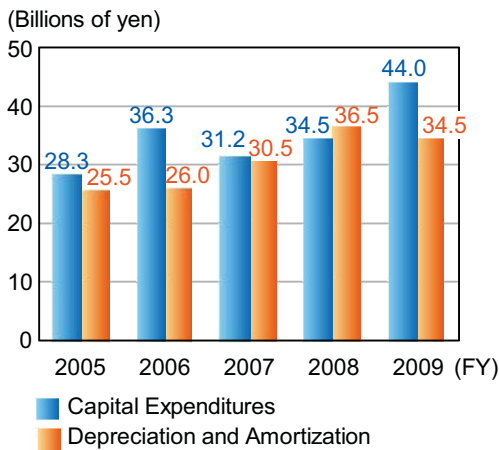


Net Income per Share

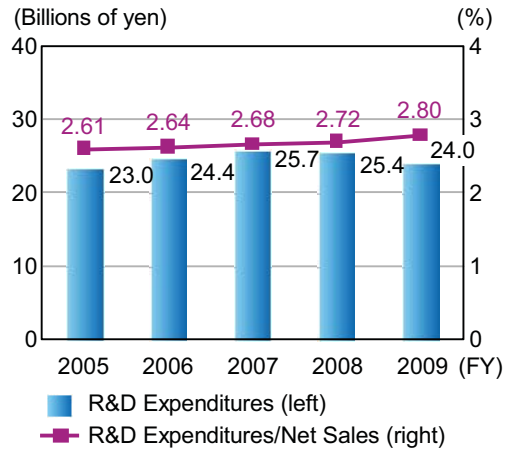


Other Data

Capital Expenditures and Depreciation and Amortization

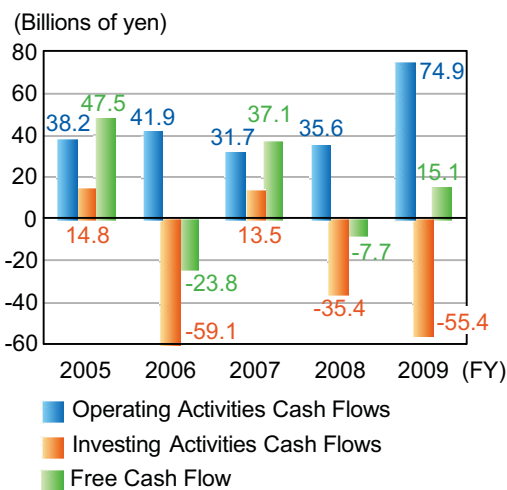


R&D Expenditures and R&D Expenditures/Net Sales

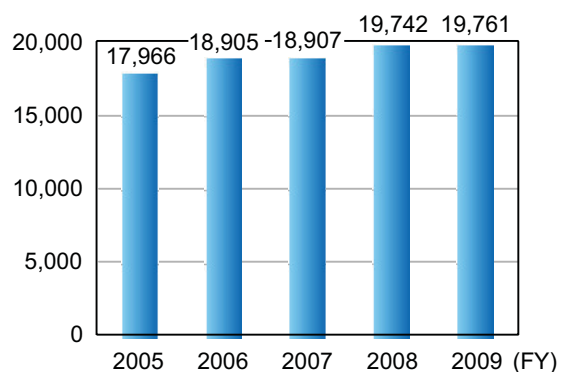


* R&D Expenditures to Revenues = R&D Expenditures / Net Sales

Cash Flows



Number of Employee



* Free Cash Flow = Operating Activities CF + Investing Activities CF - Dividend Paid

Consolidated Balance Sheets

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
(Assets)										
Current Assets										
Cash and deposits	41,546	30,969	19,311	23,392	31,157	44,715	26,083	30,280	40,842	45,175
Trade notes receivable	79,789	62,877	50,259	47,454	55,690	51,827	66,590	55,515	44,435	39,783
Accounts receivable	92,701	70,130	68,178	68,196	77,243	97,864	110,116	112,929	97,950	106,739
Securities	-	-	1,600	1,067	11	-	22	29	1	20,001
Product inventories	33,130	32,719	30,962	32,391	32,457	35,775	40,704	41,595	44,333	40,197
Subdivision land	13,852	12,015	9,986	8,752	10,541	13,397	19,772	24,355	23,808	16,822
Work in progress	-	-	-	-	-	-	-	32,456	32,716	31,645
Raw materials	-	-	-	-	-	-	-	17,811	19,161	18,536
Other inventories	44,755	36,881	35,157	39,772	44,829	45,721	48,843	-	-	-
Advances	791	356	385	1,145	807	1,471	1,202	2,214	1,066	759
Prepaid expenses	1,253	1,213	916	922	1,200	1,161	1,168	2,057	1,967	2,393
Deferred tax assets	7,272	9,991	10,874	10,513	15,244	7,615	11,609	11,410	8,338	9,715
Short-term loans	13,870	7,453	6,280	5,214	3,586	2,534	3,061	897	1,395	691
Other	21,502	22,219	20,297	19,421	15,949	13,499	13,092	12,252	15,390	12,049
Allowance for doubtful accounts	-1,229	-1,445	-2,031	-1,706	-1,745	-903	-1,282	-1,356	-887	-986
Total current assets	349,236	285,381	252,179	256,537	286,975	314,680	340,986	342,450	330,521	343,524
Fixed assets										
Tangible fixed assets										
Buildings & structures	107,826	94,605	91,824	88,469	84,356	82,580	86,798	89,137	82,743	89,395
Machinery, equipment and tools	75,858	67,362	61,799	60,100	57,989	59,799	61,176	69,731	60,788	66,940
Land	71,326	72,686	74,111	73,302	72,420	64,096	67,958	68,880	67,674	69,314
Leased assets	-	-	-	-	-	-	-	-	9,416	8,044
Construction in progress	11,370	9,644	12,371	10,622	6,893	12,067	20,161	7,450	11,630	17,918
Other	18,633	9,155	8,139	7,358	7,246	7,886	9,391	8,266	6,576	5,371
Total tangible fixed assets	285,016	253,454	248,246	239,854	228,906	226,429	245,485	243,466	238,830	256,985
Intangible fixed assets										
Goodwill	-	-	-	-	-	-	18,638	20,176	25,645	22,909
Software	7,526	5,272	4,767	4,898	4,450	3,900	4,674	4,244	4,227	4,180
Leased assets	-	-	-	-	-	-	-	-	354	263
Consolidation adjustment account	-	-	-	3,404	3,145	3,070	-	-	-	-
Other	3,593	2,972	3,052	1,923	1,792	1,961	1,939	3,016	3,538	6,426
Total intangible assets	11,120	8,244	7,820	10,226	9,388	8,932	25,252	27,437	33,766	33,780
Investments and other assets										
Investment securities	225,398	191,619	187,597	195,367	188,668	241,248	249,432	133,172	109,923	116,582
Long-term loans	2,348	2,382	4,128	3,710	3,410	4,207	2,184	1,006	593	793
Long-term prepaid expenses	1,987	1,910	1,706	1,550	1,256	1,635	1,553	1,440	1,404	1,244
Deferred income taxes	36,495	43,319	37,858	31,944	21,259	3,325	4,163	23,929	31,834	25,191
Other	18,917	15,590	13,817	11,197	10,760	10,889	11,829	11,278	10,366	11,093
Allowance for doubtful accounts	-1,717	-1,631	-2,113	-1,598	-1,827	-2,991	-1,734	-1,320	-790	-1,934
Total investments and other assets	283,429	253,191	242,995	242,172	223,528	258,314	267,428	169,506	153,332	152,970
Total fixed assets	579,566	514,890	499,061	492,252	461,823	493,676	538,166	440,409	425,929	443,736
Total assets	928,803	800,272	751,240	748,790	748,798	808,357	879,153	782,859	756,450	787,261

Consolidated Balance Sheets

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
(Liabilities)										
Current liabilities										
Trade notes payable	51,343	43,131	36,774	22,965	15,742	14,949	14,972	14,141	11,469	8,783
Accounts payable	102,246	85,576	85,213	102,209	113,464	112,674	124,152	118,937	107,327	113,181
Short-term loans	81,934	86,055	57,072	40,134	34,544	33,202	59,353	34,478	32,446	28,001
Commercial paper	-	40,000	25,000	5,000	-	-	3,000	-	20,000	-
Current portion of corporate bonds	103	5,143	107	96	-	-	10,000	-	5,365	10,000
Current portion of convertible bonds	49,999	16,499	-	-	-	-	-	-	-	-
Lease obligation	-	-	-	-	-	-	-	-	4,431	3,627
Accrued charges	-	-	-	-	-	-	-	-	7,965	-
Accrued expenses	33,135	28,762	25,888	25,223	25,238	27,794	29,731	30,200	24,649	25,119
Accrued income taxes	2,408	1,320	1,711	2,556	4,491	5,145	13,096	11,661	6,297	8,342
Deferred tax liabilities	221	182	116	429	407	122	110	258	147	123
Provision for bonuses	12,244	10,472	9,020	9,754	11,335	12,006	13,443	13,009	12,809	13,188
Provision for directors' bonuses	-	-	-	-	-	-	345	299	160	227
Provision for compensation for completed constructions	1,119	899	836	836	918	964	936	996	1,010	1,286
Advances received	31,945	26,495	27,749	32,559	38,917	38,762	37,820	34,139	33,474	37,812
Other	25,975	24,428	19,508	27,190	27,958	29,725	34,449	34,613	34,478	35,580
Total current liabilities	392,677	368,967	289,000	268,955	273,020	275,348	341,413	292,736	302,033	285,275
Fixed liabilities										
Bonds	30,404	25,369	25,335	25,107	25,000	15,000	5,641	15,608	10,000	10,000
Convertible bonds	16,499	-	-	-	-	-	-	-	-	-
Long-term loans	73,225	53,073	86,257	82,734	59,998	46,405	33,289	42,011	51,811	76,761
Lease obligation	-	-	-	-	-	-	-	-	5,353	4,694
Deferred tax liabilities	3,468	3,332	3,105	3,315	3,390	15,062	18,928	2,655	2,952	4,397
Provision for retirement allowances	79,289	70,146	61,580	65,036	64,513	62,895	60,643	54,575	48,195	48,608
Consolidation adjustment account	567	407	301	-	-	-	-	-	-	-
Other	4,413	3,948	4,527	4,024	5,016	6,185	6,095	6,353	5,382	5,816
Total fixed liabilities	207,868	156,276	181,107	180,217	157,920	145,549	124,598	121,203	123,695	150,279
Total liabilities	600,545	525,244	470,108	449,173	430,940	420,897	466,011	413,940	425,729	435,554
(Minority shareholders' interests)	4,417	3,741	6,656	7,861	7,661	10,253	-	-	-	-
(Shareholders' equity)										
Common stock	100,002	100,002	100,002	100,002	100,002	100,002	-	-	-	-
Capital surplus	109,234	109,234	109,234	109,243	109,266	109,456	-	-	-	-
Retained earnings	119,439	63,210	69,172	80,792	97,641	118,909	-	-	-	-
Unrealized gain on land revaluation	-	334	343	346	349	215	-	-	-	-
Unrealized holding gain (loss) on securities	-1,231	378	-509	5,885	6,666	54,051	-	-	-	-
Foreign currency translation	-3,352	-1,385	-1,478	-1,770	-601	1,199	-	-	-	-
Treasury stock	-251	-487	-2,288	-2,744	-3,128	-6,629	-	-	-	-
Total shareholders' equity	323,840	271,287	274,475	291,756	310,196	377,205	-	-	-	-
Total liabilities, minority shareholders' interest, and shareholders' equity	928,803	800,272	751,240	748,790	748,798	808,357	-	-	-	-
(Net assets)										
Shareholders' equity										
Common stock	-	-	-	-	-	-	100,002	100,002	100,002	100,002
Capital surplus	-	-	-	-	-	-	109,420	109,367	109,307	109,307
Retained earnings	-	-	-	-	-	-	137,712	154,073	146,931	154,353
Treasury stock	-	-	-	-	-	-	-6,375	-10,844	-10,833	-10,839
Total shareholders' equity	-	-	-	-	-	-	340,759	352,599	345,408	352,823
Revaluation and translation adjustments										
Unrealized holding gain (loss) on securities	-	-	-	-	-	-	57,427	-933	-11,227	-1,037
Deferred gains or losses on hedges	-	-	-	-	-	-	-	-	7	74
Unrealized gain on land revaluation	-	-	-	-	-	-	216	217	224	199
Foreign currency translation adjustments	-	-	-	-	-	-	5,419	7,033	-12,411	-10,017
Total revaluation and translation adjustments	-	-	-	-	-	-	63,063	6,317	-23,408	-10,781
Share subscription rights	-	-	-	-	-	-	73	237	386	503
Minority shareholders' interests	-	-	-	-	-	-	9,244	9,764	8,334	9,160
Total net assets	-	-	-	-	-	-	413,141	368,919	330,721	351,706
Total liabilities, net assets	-	-	-	-	-	-	879,153	782,859	756,450	787,261

Consolidated Statement of Income

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Net sales	913,682	845,496	799,709	814,863	856,935	885,067	926,163	958,674	934,225	858,514
Cost of sales	680,699	623,473	573,807	579,134	605,671	627,279	656,504	685,902	680,446	606,123
Gross income	232,983	222,022	225,902	235,728	251,263	257,788	269,659	272,772	253,779	252,390
Selling, general & administrative expenses	236,684	225,116	211,876	212,647	214,818	217,500	224,501	229,766	220,189	216,434
Operating Income	-3,701	-3,093	14,025	23,080	36,445	40,287	45,157	43,005	33,589	35,955
Non-operating income										
Interest income	1,479	941	815	970	884	1,033	910	1,299	1,230	790
Dividend income	442	462	742	411	323	2,634	2,450	2,620	2,268	2,021
Gain on sales of securities	-	-	-	-	-	-	-	-	-	-
Depreciation in consolidation adjustment account	225	138	185	-	-	-	-	-	-	-
Equity in earnings of affiliates	3,839	-	6,581	8,489	4,745	1,708	1,414	589	1,409	1,498
Miscellaneous income	4,926	5,666	5,671	5,144	5,631	6,492	5,435	3,453	2,454	2,986
Total non-operating income	10,912	7,208	13,996	15,016	11,584	11,869	10,210	7,963	7,363	7,295
Non-operating expenses										
Interest expenses	2,663	3,176	3,331	2,758	2,483	2,131	1,757	2,127	2,480	2,253
Interest on Commercial Paper	92	13	9	3	0	-	19	12	31	27
Sales discounts	270	269	273	316	332	328	333	320	312	277
Equity in loss of affiliates	-	485	-	-	-	-	-	-	-	-
Foreign exchange loss(net)	-	-	-	-	-	-	-	3,784	2,616	998
Miscellaneous expenses	3,875	6,462	7,612	7,527	7,227	5,894	6,347	6,176	6,073	8,619
Total non-operating expenses	6,901	10,407	11,225	10,606	10,043	8,355	8,458	12,422	11,513	12,175
Recurring income	309	-6,292	16,796	27,490	37,986	43,801	46,910	38,547	29,438	31,076
Extraordinary income										
Gain on sales of property, plant, and equipment	3,951	1,747	1,642	-	-	-	-	-	687	1,015
Gain on sales of investments in securities	1,884	-	-	-	-	-	-	23,163	-	-
Proceeds from business transfer	-	-	-	-	440	-	-	478	-	-
Dilution gain	-	-	-	-	2,420	5,189	-	-	-	-
Gain on transfer of substitutional portion of employee pension fund	-	-	12,384	-	-	-	-	-	-	-
Others	347	153	-	-	-	-	-	-	-	-
Total extraordinary income	6,183	1,900	14,026	-	2,860	5,189	-	23,641	687	1,015
Extraordinary expenses										
Structural improvement expenses	16,519	24,381	7,650	3,097	4,059	3,946	4,339	10,152	4,257	2,302
Loss from revaluation of investment securities	-	9,086	2,754	-	-	-	-	-	2,782	-
Loss on Valuation of Equity Securities for Nonconsolidated and Impairment loss	-	-	-	-	-	-	11,880	1,800	1,374	70
Loss from revaluation of product inventories	-	-	-	-	-	-	-	3,069	-	-
Charges	-	-	-	-	-	-	-	-	7,965	-
Equity in loss of affiliates	-	21,078	-	-	-	-	-	-	-	-
Transfer to provision for retirement allowance	62,978	-	-	-	-	-	-	-	-	-
Others	2,555	-	653	-	-	-	-	-	-	-
Loss on sales or disposal of property, plant, and equipment	3,088	4,137	3,161	2,329	4,678	1,328	1,913	2,600	1,753	2,988
Total extraordinary expenses	85,142	58,683	14,220	5,427	8,737	17,155	8,053	17,195	17,283	8,747
Income (loss) before income taxes and minority interests	-78,648	-63,075	16,603	22,062	32,109	31,835	38,856	44,993	12,842	23,344
Income taxes	3,405	2,151	2,297	3,449	4,481	6,584	15,322	16,433	9,029	11,510
Diferred Taxes	-33,139	-12,817	4,981	3,019	5,752	4,584	-2,634	3,512	2,485	-1,000
Minority interests	-279	-302	25	574	-412	437	629	747	313	1,207
Net Income	-48,634	-52,108	9,298	15,019	22,286	20,229	25,538	24,300	1,013	11,627
Number of Consolidated Company	122	144	142	134	138	142	147	130	150	153

Consolidated Statement of Cash Flow

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Operating activities										
Income before income taxes and minority interests	-78,648	-63,075	16,603	22,062	32,109	31,835	38,856	44,993	12,842	23,344
Depreciation and amortization	47,377	44,417	28,433	26,623	26,344	25,536	26,045	30,503	36,529	34,525
Goodwill amortization	-	-	-	-	-	-	765	1,697	2,426	3,083
Loss on asset impairment	-	-	-	-	-	11,880	1,800	1,374	70	3,456
Gain on change in equity	-	-	-	-	-2,420	-5,189	-	-	-	-
Gain on sale of investments in securities	-1,785	-219	-	-	-	-	-117	-23,163	-	-
Loss from revaluation of marketable and investment securities	-	-	-	-	-	-	-	-	2,782	-
Loss on sales or disposal of property, plant and equipment	-863	2,390	1,519	2,329	4,678	1,328	1,913	2,600	1,642	2,950
Write-down of investments in securities	-	9,086	2,754	-	-	-	-	-	-	-
Decrease (increase) in allowance for retirement benefits	56,494	-9,398	-8,883	3,811	-579	-1,766	-3,103	-6,126	-5,914	387
Interest and dividend income	-1,921	-1,403	-1,558	-1,381	-1,207	-3,668	-3,360	-3,920	-3,499	-2,811
Interest expense	3,026	3,459	3,613	3,078	2,816	2,460	2,110	2,460	2,823	2,557
Equity in earnings of affiliates	-3,839	21,563	-6,581	-8,489	-4,745	-1,708	-1,414	-589	-1,409	-1,498
Decrease (increase) in accounts receivable	-8,075	37,961	13,900	2,201	-16,584	-12,056	-19,994	9,587	20,363	-2,865
Increase (decrease) in inventories	1,318	11,707	7,538	-4,981	-6,663	-4,872	-8,991	-5,309	-6,079	13,293
Decrease (increase) in account payable	15,549	-31,329	-10,090	2,808	2,462	-3,215	8,500	-6,267	-17,636	753
Decrease (increase) in advances received	-132	-5,469	453	3,639	6,347	-181	-1,370	-3,679	-733	4,332
Other	-1,100	1,113	200	7,620	8,165	2,115	6,897	3,689	3,984	6,395
Subtotal	27,398	20,802	47,903	59,320	50,722	42,498	48,536	47,848	48,466	87,904
Interest and dividends received	4,857	4,964	4,624	4,344	4,198	4,092	3,673	4,344	3,952	3,257
Interest paid	-2,963	-3,399	-3,490	-3,151	-2,917	-2,646	-2,051	-2,517	-2,711	-2,546
Surcharges paid	-	-	-	-	-	-	-	-	-	-7,965
Income taxes paid	-3,601	-3,330	-1,969	-2,599	-3,308	-5,676	-8,229	-17,893	-14,096	-5,667
Net cash (used in) provided by operating	25,691	19,036	47,067	57,913	48,694	38,268	41,929	31,782	35,611	74,983
Investing activities										
Purchases of property, plant and equipment	-43,688	-38,805	-21,231	-21,007	-24,027	-24,088	-32,706	-32,363	-25,749	-37,061
Proceeds from sales of property, plant and equipment	3,499	1,019	2,767	3,618	9,141	2,322	2,872	960	1,199	2,285
Purchases of investment securities	-3,660	-10,816	-8,661	-3,833	-2,082	-6,168	-3,757	-3,004	-3,876	-1,389
Proceeds from sales or redemption of investment securities	11,623	13,454	5,851	11,035	15,532	47,122	1,039	53,627	5,373	2,056
Purchases of subsidiaries' shares due to change in scope of consolidation	-	-	-	-5,520	-	-1,498	-20,662	-	-9,523	-2,908
Proceeds from the partial sale of shares in subsidiary company	-	-	-	-	-	-	-	1,381	-	-
Expenses associated with business transfer	-	-	-	-	-	-	-	-5,780	-	-16,288
Purchases of consolidated subsidiaries' shares from minority shareholders	-	-	-	-	-	-	-2,640	-375	-	-201
Proceeds from sales of subsidiaries' shares due to change in scope of consolidation	-	795	-	564	-	-	-	-	-	-
Purchases of intangible assets and long-term prepaid expenses	-5,271	-4,079	-2,838	-2,256	-2,350	-2,727	-2,542	-2,993	-1,913	-1,990
Increase (decrease) in short-term loans, net	-4,981	3,283	1,540	782	1,622	1,002	-1,551	1,604	-535	-
Purchases of long-term loans	-	-633	-2,817	-552	193	-1,976	-27	-281	-	-
Proceeds from recovery of long-term loans	-	750	1,024	322	78	936	861	68	-	-
Other	-26	3,362	3,266	3,732	285	-78	13	677	-378	-0
Net cash (used in) provided by investing	-42,505	-31,669	-21,097	-13,114	-1,605	14,847	-59,100	13,521	-35,403	-55,496
Financing activities										
Increase (decrease) in short-term debt, net	10,369	12,672	-22,051	-18,695	-16,660	2,305	-1,053	-110	-493	-9,007
Payment for return of finance leases	-	-	-	-	-	-	-	-	-5,850	-5,083
Net increase (decrease) in commercial paper	-9,000	40,000	-15,000	-20,000	-5,000	-	3,000	-3,000	20,000	-20,000
Proceeds from long-term loans	22,305	18,456	39,786	10,000	1,572	256	18,632	15,713	15,592	32,545
Repayment of long-term loans	-8,944	-15,155	-14,133	-7,707	-13,485	-23,775	-14,017	-32,315	-7,299	-4,419
Proceeds of bonds	20,000	-	-	-	-	-	621	-	-	10,000
Repayment of bonds	-906	-50,531	-21,899	-96	-204	-10,413	-	-10,000	-	-5,382
Dividends paid	-5,451	-4,311	-3,239	-3,225	-4,818	-5,328	-6,361	-7,921	-7,885	-4,209
Cash dividends paid to minority shareholders of consolidated subsidiaries	-33	-42	-48	-35	-205	-221	-272	-185	-110	-152
Payment of withholding tax on dividends for former shareholders of newly consolidated subsidiaries	-	-	-	-	-	-	-2,997	-	-	-
Proceeds from sales of treasury stock	-	-	-	-	-	5,534	3	13	-	-
Purchase of treasury stock	-5,399	-236	-	-	-	-10,913	-100	-4,733	-147	-
Other	234	-99	-424	-789	-195	1,133	60	-261	84	-40
Net cash used in financing activities (3)	23,174	752	-37,010	-40,549	-38,996	-41,421	-2,484	-42,801	13,889	-5,749
Effect of exchange rate changes on cash and cash equivalents (4)	333	433	-194	-200	319	345	783	-296	-3,825	602
Net decrease (increase) in cash and cash equivalents	6,692	-11,446	-11,235	4,049	8,412	12,039	-18,873	2,206	10,271	14,339
Cash and cash equivalents at beginning of term	33,054	39,766	28,911	18,502	22,535	30,927	44,629	25,968	29,852	40,488
Increase in cash and cash equivalents resulting from additional consolidation of subsidiaries	772	641	870	12	27	1,662	212	1,697	363	28
Decrease in cash and cash equivalents due to	-752	-50	-43	-29	-47	-	-	-20	-	-
Cash and cash equivalents at end of term	39,766	28,911	18,502	22,535	30,927	44,629	25,968	29,852	40,488	54,855

*Last term's figures have been recalculated using the standards in force for this fiscal year.

Segment Information**Business Segments**

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Housing										
Net Sales	460,690	415,879	399,941	410,901	429,194	427,621	430,470	419,978	424,492	398,245
Net Sales to Third Parties	460,554	415,806	399,783	410,723	428,904	427,217	430,034	419,791	424,436	398,130
Net Sales Intersegment	135	73	157	178	289	403	436	187	56	115
Operating Income	-3,318	-1,759	5,320	10,275	16,246	14,693	14,337	14,132	17,134	19,410
Assets	208,739	185,723	178,179	176,520	188,203	175,247	181,637	179,871	183,454	190,323
Depreciation and Amortization	9,215	7,973	7,771	6,655	6,025	5,533	5,367	5,595	8,728	8,065
Capital Expenditures	10,158	6,464	4,686	3,431	6,036	5,892	6,383	5,570	6,202	6,405
R&D Expenditures	7,045	5,532	5,289	4,888	4,501	4,882	4,572	4,586	4,335	3,980
Number of Employees	10,685	9,364	9,198	8,949	8,988	9,120	9,137	8,557	8,520	8,478
Urban Infrastructure & Environmental Products										
Net Sales	204,086	194,945	189,697	192,281	204,822	214,072	226,476	233,756	225,219	194,649
Net Sales to Third Parties	193,507	180,634	174,452	175,585	192,901	202,737	214,552	222,483	213,642	182,689
Net Sales Intersegment	10,578	14,310	15,245	16,696	11,920	11,334	11,923	11,273	11,577	11,960
Operating Income	-2,787	-3,046	628	3,274	8,875	10,410	11,289	6,131	1,650	-2,409
Assets	168,327	173,893	149,761	145,133	144,874	160,475	172,482	177,627	173,993	160,321
Depreciation and Amortization	8,321	7,521	7,277	6,063	6,214	5,523	5,647	7,053	7,803	7,614
Capital Expenditures	5,335	4,269	5,507	4,700	4,612	6,199	8,610	8,210	6,233	5,059
R&D Expenditures	7,323	5,937	5,409	5,401	6,028	5,881	5,611	5,669	5,715	5,736
Number of Employees	3,242	3,254	2,925	2,930	3,094	3,497	3,616	4,025	4,765	4,634
High Performance Plastics										
Net Sales	189,093	183,459	172,259	181,757	197,688	218,305	245,472	280,487	262,642	247,683
Net Sales to Third Parties	184,770	177,843	166,615	176,155	191,502	210,832	237,880	273,267	255,450	241,390
Net Sales Intersegment	4,322	5,615	5,643	5,601	6,186	7,472	7,591	7,219	7,192	6,293
Operating Income	4,545	4,070	10,430	12,309	14,756	17,497	20,688	24,489	15,797	19,207
Assets	154,357	152,552	148,819	166,764	171,063	191,467	247,494	249,562	230,423	270,652
Depreciation and Amortization	9,736	10,196	9,828	10,722	11,149	11,776	12,566	15,235	17,124	16,112
Capital Expenditures	11,446	11,583	10,565	12,548	8,822	14,304	19,076	15,183	19,132	30,690
R&D Expenditures	8,183	8,344	7,670	8,761	8,912	8,984	10,668	11,355	11,231	10,730
Number of Employees	3,520	3,986	3,704	3,903	3,863	4,299	5,114	5,265	5,408	5,620
Others										
Net Sales	110,592	104,534	78,783	60,434	52,541	51,079	49,684	48,541	46,195	42,785
Net Sales to Third Parties	74,849	71,211	58,857	52,339	43,627	44,279	43,695	43,132	40,695	36,304
Net Sales Intersegment	35,743	33,322	19,925	8,034	8,913	6,800	5,989	5,409	5,499	6,480
Operating Income	-2,471	-3,106	-3,306	-2,802	-3,345	-2,425	-863	-1,406	-675	332
Assets	196,996	157,560	72,493	54,520	45,776	47,132	45,120	42,959	43,245	43,606
Depreciation and Amortization	17,009	16,297	2,901	2,173	1,778	1,687	1,640	1,917	2,251	2,032
Capital Expenditures	18,988	14,615	1,558	1,235	2,269	1,430	1,605	1,439	1,926	716
R&D Expenditures	2,277	2,804	5,034	4,649	3,531	3,328	3,599	4,127	4,137	3,562
Number of Employees	1,559	1,581	1,330	1,044	885	895	828	848	846	832
Eliminations or Unallocatable Accounts										
Net Sales	-50,779	-53,322	-40,971	-30,510	-27,311	-26,010	-25,940	-24,090	-24,325	-24,849
Operating Income	331	747	954	23	-87	112	-293	-340	-317	-585
Assets	200,383	130,542	201,987	205,851	198,878	234,033	232,417	132,838	125,332	122,356
Depreciation and Amortization	3,093	2,428	655	1,008	1,177	1,015	823	699	621	700
Capital Expenditures	3,716	3,823	2,780	2,260	4,077	520	661	863	1,044	1,176
Number of Employees	219	214	172	161	172	155	210	212	203	197
Consolidated										
Net Sales	913,682	845,496	799,709	814,863	856,935	885,067	926,163	958,674	934,225	858,514
Operating Income	-3,701	-3,093	14,025	23,080	36,445	40,287	45,157	43,005	33,589	35,955
Assets	928,803	800,272	751,240	748,790	748,798	808,357	879,153	782,859	756,450	787,261
Depreciation and Amortization	47,377	44,417	28,433	26,623	26,344	25,536	26,045	30,503	36,529	34,525
Capital Expenditures	49,644	40,756	25,098	24,175	25,820	28,348	36,337	31,267	34,539	44,049
R&D Expenditures	24,829	22,618	23,403	23,700	22,974	23,077	24,451	25,739	25,420	24,010
Number of Employees	19,225	18,399	17,329	16,987	17,002	17,966	18,905	18,907	19,742	19,761

Segment Information

Business Segments (Base on Quarterly)

(Millions of Yen)

(Fiscal Year)	2007				2008				2009			
	1Q	2Q*	3Q**	4Q***	1Q	2Q	3Q	4Q***	1Q	2Q	3Q	4Q***
Housing												
Net Sales	86,029	124,805	95,059	114,085	83,232	128,672	107,242	105,345	77,053	119,339	91,809	110,042
Net Sales to Third Parties	85,953	124,754	95,021	114,063	83,223	128,638	107,236	105,338	77,048	119,333	91,806	109,941
Net Sales Intersegment	76	50	38	23	9	33	6	8	5	5	3	101
Operating Income / loss	-3,800	10,006	-455	8,381	-2,908	11,539	3,814	4,689	-3,475	12,281	1,900	8,705
Urban Infrastructure & Environmental Products												
Net Sales	45,819	63,135	56,138	68,664	47,590	61,571	56,585	59,472	37,533	52,092	47,825	57,198
Net Sales to Third Parties	43,182	60,008	53,613	65,680	44,920	58,270	53,795	56,655	35,292	48,790	45,201	53,405
Net Sales Intersegment	2,637	3,127	2,525	2,984	2,669	3,300	2,789	2,818	2,241	3,301	2,623	3,793
Operating Income / loss	-1,057	2,487	562	4,139	-1,745	1,454	326	1,615	-3,931	220	-851	2,153
High Performance Plastics												
Net Sales	66,272	71,000	71,664	71,551	68,974	72,190	67,784	53,693	50,587	60,748	67,819	68,528
Net Sales to Third Parties	64,481	69,112	70,096	69,578	67,261	70,170	65,929	52,090	49,246	59,104	66,169	66,869
Net Sales Intersegment	1,790	1,888	1,568	1,973	1,712	2,019	1,855	1,604	1,340	1,644	1,649	1,659
Operating Income / loss	4,706	6,849	7,139	5,795	4,732	5,959	3,894	1,211	1,956	4,860	6,852	5,538
Others												
Net Sales	10,437	12,650	11,564	13,890	10,721	12,247	11,342	11,883	8,812	10,328	10,823	12,821
Net Sales to Third Parties	9,638	10,713	10,583	12,198	9,793	10,646	9,932	10,323	7,912	9,040	8,541	10,801
Net Sales Intersegment	798	1,937	982	1,692	928	1,600	1,410	1,560	890	1,288	2,281	2,020
Operating Income / loss	-696	-475	-561	326	-439	-136	-271	172	-134	142	37	287
Eliminations or Unallocatable Accounts												
Net Sales	-5,301	-7,003	-5,113	-6,673	-5,320	-6,954	-6,061	-5,989	-4,477	-6,240	-6,558	-7,573
Operating Income / loss	-30	-120	-36	-154	-16	-157	-29	-114	-9	-398	-123	-53
Consolidated												
Net Sales	203,256	264,587	229,313	261,518	205,199	267,727	236,893	224,405	169,509	236,268	211,720	241,016
Operating Income / loss	-878	18,747	6,650	18,486	-377	18,659	7,735	7,571	-5,593	17,105	7,814	16,629

* The Second Quarter of FY2007 = The First Half of FY2007- The First Quarter of FY2007

** The Third Quarter of FY2007 = The First Nine Months of FY2007- The First Half of FY2007

*** The Fourth Quarter = Full Year - The First Nine Months

Segment Information**Geographical Segments**

(Millions of Yen)

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Net Sales										
Japan	-	808,584	764,001	773,004	804,580	824,039	851,316	858,347	835,310	770,485
United States of America	-	21,905	19,366	18,910	20,740	24,037	28,311	34,820	35,983	36,993
Europe	-	19,508	23,413	25,126	28,737	30,169	33,982	42,635	43,650	40,373
Asia	-	9,927	10,949	18,646	25,020	33,778	42,467	55,472	49,938	42,670
Others	-	2,454	2,132	2,160	2,522	3,064	3,708	4,462	5,804	7,037
Total	-	862,380	819,863	837,849	881,601	915,090	959,786	995,737	970,688	897,561
Eliminations or Unallocatable Accounts	-	-16,883	-20,154	-22,985	-24,666	-30,023	-33,623	-37,062	-36,463	-39,047
Consolidated	-	845,496	799,709	814,863	856,935	885,067	926,163	958,674	934,225	858,514
Operating Income										
Japan	-	-4,507	10,609	18,860	30,959	33,076	36,883	31,096	25,139	31,593
United States of America	-	420	368	1,179	1,156	1,494	1,787	2,990	1,745	201
Europe	-	1,222	2,123	2,032	3,098	3,474	3,139	4,719	3,242	1,773
Asia	-	124	219	859	1,208	2,245	2,837	3,786	1,670	1,363
Others	-	192	204	213	243	315	356	398	842	992
Total	-	-2,547	13,526	23,144	36,665	40,607	45,004	42,992	32,641	35,923
Eliminations or Unallocatable Accounts	-	-546	499	63	-220	-321	153	13	947	32
Consolidated	-	-3,093	14,025	23,080	36,445	40,287	45,157	43,005	33,589	35,955
Assets										
Japan	-	488,269	443,292	466,745	468,026	473,615	539,081	529,236	523,838	525,014
United States of America	-	18,386	15,826	13,208	12,813	18,931	24,602	29,181	31,746	47,664
Europe	-	29,210	32,651	26,858	28,005	31,458	38,447	40,579	36,770	50,161
Asia	-	5,249	7,034	15,099	16,547	31,882	44,378	49,775	44,641	46,107
Others	-	2,932	2,833	2,759	2,651	3,646	3,677	4,006	4,880	6,233
Total	-	544,047	501,639	524,670	528,044	559,533	650,186	652,778	641,877	675,181
Eliminations or Unallocatable Accounts	-	256,224	249,601	224,120	220,753	248,824	228,966	130,081	114,573	112,080
Consolidated	-	800,272	751,240	748,790	748,798	808,357	879,153	782,859	756,450	787,261

Overseas Net Sales

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
United States of America										
Net Sales	-	-	-	-	20,169	23,014	28,458	38,557	38,985	37,604
Share of Consolidated Net Sales (%)	-	-	-	-	2.4	2.6	3.1	4.0	4.2	4.4
Europe										
Net Sales	-	-	-	-	28,842	28,903	34,238	45,032	47,626	41,543
Share of Consolidated Net Sales (%)	-	-	-	-	3.4	3.3	3.7	4.7	5.1	4.8
Asia										
Net Sales	-	-	-	-	29,820	39,601	50,257	66,767	59,022	55,035
Share of Consolidated Net Sales (%)	-	-	-	-	3.5	4.5	5.4	7.0	6.3	6.4
Others										
Net Sales	-	-	-	-	2,415	3,219	3,921	4,767	5,961	6,800
Share of Consolidated Net Sales (%)	-	-	-	-	0.3	0.4	0.4	0.5	0.6	0.8
Total Overseas										
Net Sales	-	-	-	-	81,247	94,738	116,875	155,124	151,596	140,983
Share of Consolidated Net Sales (%)	-	-	-	-	9.5	10.7	12.6	16.2	16.2	16.4
Consolidated Net Sales	-	-	-	-	856,935	885,067	926,163	958,674	934,225	858,514

Stock Price Information

(Fiscal Year)	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Stock Price (Yen)										
Open	349	351	362	268	724	781	997	969	626	475
High	473	543	444	724	930	1,017	1,094	1,006	821	645
Low	301	300	268	268	621	653	855	570	372	464
Close	356	372	280	711	779	997	939	603	490	634
Trading Volume (Thousands of Shares)	255,532	356,962	217,432	372,248	553,066	699,354	488,153	673,424	579,086	468,803
Issued Share (Thousands of Shares)	539,507	539,507	539,507	539,507	539,507	539,507	539,507	539,507	539,507	539,507
Foreign Holdings (%)	15.0	12.2	10.9	21.0	28.3	33.7	34.7	30.6	24.8	28.1
Net Income per Share (Yen)	-89.91	-96.75	17.43	28.00	41.48	37.78	48.19	46.16	1.93	22.13
Cash Dividends per Share (Yen)	10.00	6.00	6.00	7.00	10.00	11.00	14.00	15.00	10.00	10.00
Payout Ratio (%)	-11.1	-6.2	34.4	25.0	24.1	29.1	29.1	32.5	518.7	45.2
Price Earnings Ratio (PER)(Times)	-3.96	-3.84	16.06	25.39	18.78	26.39	19.49	13.06	253.89	28.65
Price Book-value Ratio (PBR)(Times)	0.59	0.74	0.54	1.30	1.34	1.40	1.23	0.88	0.80	0.97

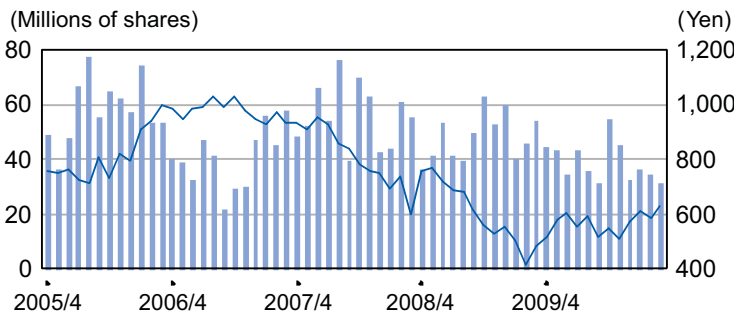
*Price Earnings Ratio (PER) = Stock prices at the end of fiscal year / Net Income per Share
 *Price Book-value Ratio (PBR) = Stock prices at the end of fiscal year / Net Assets per Share

Major Shareholders

Name of shareholder	State of investments		The Company's investments in these companies	
	Number of Shares Held [Thousands of Shares]	Percentage of Ownership (%)	Number of Shares Held [Thousands of Shares]	Percentage of Ownership (%)
Asahi Kasei Corporation	31,039	5.90	1,716	0.12
Japan Trustee Services Bank, Ltd. (Trust Account)	30,386	5.78	-	-
The Master Trust Bank of Japan, Ltd. (Trust Account)	26,791	5.09	-	-
The Dai-ichi Life Insurance Company	26,181	4.98	-	-
Sekisui House, Ltd.	25,592	4.86	72,168	10.66
The Chase Manhattan Bank, NA London (SL omnibus account)	20,267	3.85	-	-
Japan Trustee Services Bank, Ltd. (Trust Account 9)	18,706	3.55	-	-
Tokio Marine & Nichido Fire Insurance Co., Ltd.	15,927	3.02	-	-
State Street Bank and Trust Company 505223	9,598	1.82	-	-
Employees Stock Ownership Plan	9,498	1.80	-	-

Note: 1. Sekisui Chemical Co., Ltd. Holds 13,819 thousand shares of treasury stock.
 2. The shareholding ratio is calculated after subtracting the treasury stock from the total number of outstanding shares.
 3. The Dai-ichi Life Insurance Company, Limited, reorganized from a mutual life insurance company (The Dai-ichi Mutual Life Insurance Company) to a joint stock corporation on April 1, 2010.
 (As of March 31, 2010)

Stock Price and Trading Volume



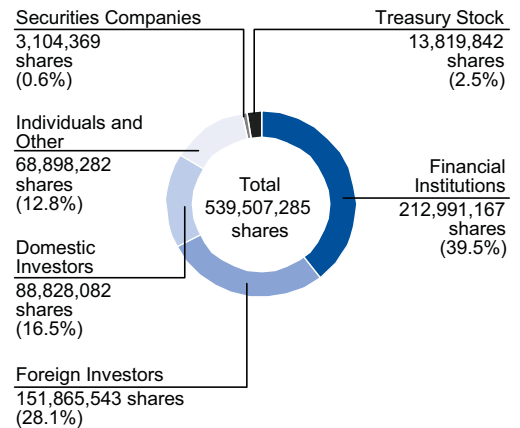
■ Monthly Average Stock Trading Volume (left)
 — Closing Stock Price at the Month-End (right)

Distribution of Shareholders

	Sep. 2009	Mar. 2010
Financial Institutions	39.4%	39.5%
Foreign Investors	27.7%	28.1%
Domestic Investors	16.6%	16.5%
Individuals and Other	13.0%	12.8%
Securities Companies	0.7%	0.6%
Treasury Stock	2.6%	2.5%

(As of March 31, 2010)

Distribution of Shareholders and Shares



(As of March 31, 2010)

Corporate Data

Sekisui Chemical Co., Ltd.

Head Office:	4-4, Nishitenma 2-chome, Kita-ku, Osaka 530-8565
Tokyo Head Office:	3-17, Toranomom 2-chome, Minato-ku, Tokyo 105-8450
Founded:	March 3, 1947
Fiscal Yaer:	Ended March 31
Paid-in Capital:	100,002,375,657 yen
Authorized:	1,187,540,000 shares
Issued:	539,507,285 shares
Listings:	Common stock listed on the Tokyo Stock Exchange and the Osaka Securities Exchange
Number of Shareholders:	25,203
Manager of the Register of shareholders:	Mitsubishi UFJ Trust and Banking Corporation
Transfer Agency:	Mitsubishi UFJ Trust and Banking Corporation Osaka Corporate Agency Division 6-3, Fushimimachi 3-Chome, Chuo-ku, Osaka-shi, Osaka 541-8502

(As of March 31, 2010)