

Presentation of Financial Results for FY2011

**Naofumi Negishi, President
Sekisui Chemical Co., Ltd.**

26 April, 2012

Business Results by Company

(Billions of yen)

| | FY2011 | | FY2010 | | Difference | |
|---|-----------|------------------|-----------|------------------|------------|------------------|
| | Net Sales | Operating Income | Net Sales | Operating Income | Net Sales | Operating Income |
| Housing | 449.4 | 31.1 | 418.7 | 24.4 | 30.7 | 6.7 |
| UIEP* | 200.0 | 3.0 | 195.6 | 1.5 | 4.4 | 1.5 |
| HPP** | 296.9 | 20.6 | 281.6 | 24.4 | 15.2 | -3.8 |
| Others | 43.5 | -0.2 | 43.1 | -0.1 | 0.3 | -0.1 |
| Eliminations or Unallocatable Accounts | -24.7 | 0.2 | -23.5 | -0.8 | -1.1 | 1.0 |
| Total | 965.1 | 54.6 | 915.5 | 49.3 | 49.6 | 5.3 |
| Dividend per share (yen) | 15 | | 13 | | 2 | |

*Urban Infrastructure & Environmental Products Company, ** High Performance Plastics Company

【Housing】 Securing order backlog at year-start and YoY order growth. Living environment business continued growing with substantial rises in sales and income

【UIEP】 Domestic business volume rose on the post-disaster reconstruction and value chain development effect. Economic slowdown impacted overseas business results

【HPP】 Demand declined in the second half as economic recession in Europe and the Thai floods affected demand in the AT-related businesses, for LCD TVs and computers

Overview of FY2011

1. Demand growth phases enhanced the presence of core domestic businesses (housing, water infrastructure)
2. Demand grew less than expected for the global strategic businesses, centered on the F7 businesses.* Unable to overcome the negative impact from the foreign exchange rate and new consolidations
3. Successfully offset higher materials and parts costs with product prices and cost cuts. With demand stagnating, fixed costs other than growth investment were reduced compared to the plan.
4. Implemented aggressive measures to fortify the growth and revenue foundations

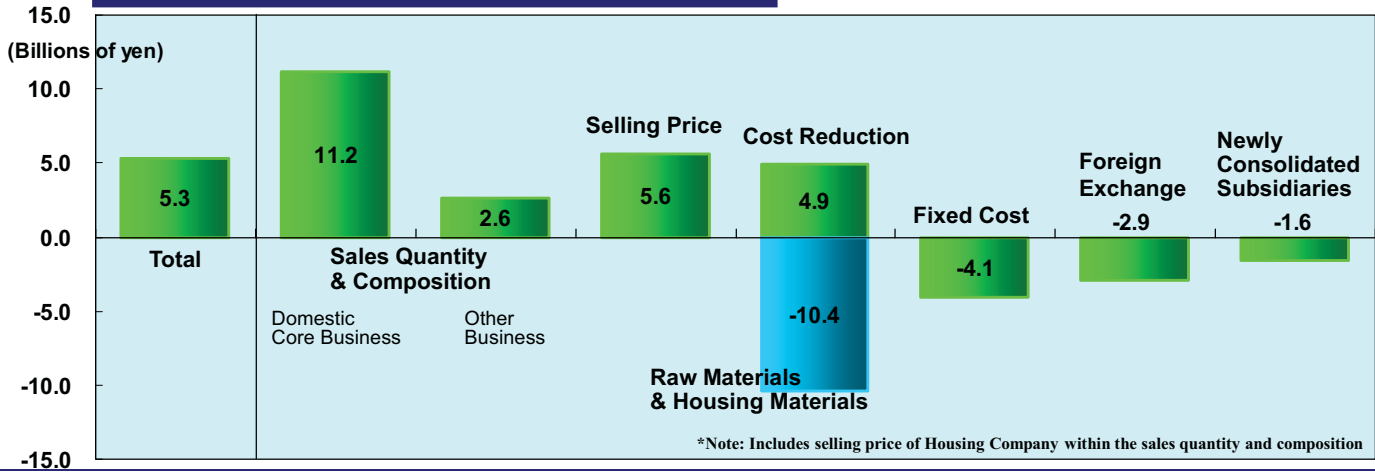
*Frontier 7 Businesses: (HPP) AT related business, IT related business, Medical related business, (UIEP) Pipeline Renewal business, Water infrastructure business (overseas), Performance materials business, (Housing) Living Environment business

Business Growth and Revenue Base Fortification in FY2011

| | Field | Measures |
|--|---------|--|
| Expansion of Strategic Business Fields | IT | Entered the ITO film business |
| | MD | The production capacity expansion for products for mobile terminals |
| | PR** | Began full-fledged diagnostic agent business development in Europe and the US |
| Strengthen of Core Business | Housing | Reinforce the value chain system in Eastern Europe |
| | UIEP | Migrated to integrated production and sales in the Tokyo, Chubu, and Kinki areas |
| | NGB* | Completed preparations to launch next-generation solar housing with storage batteries |
| | | Business alliance with Swing Corporation and other steps to enhance the packaged-product order structure |
| | | Decision to construct mass production facility in Thailand |

*NGB: Next Generation Business, **PR : Pipeline Renewal business

Analysis of Operating Income for FY2011 (year-on-year)



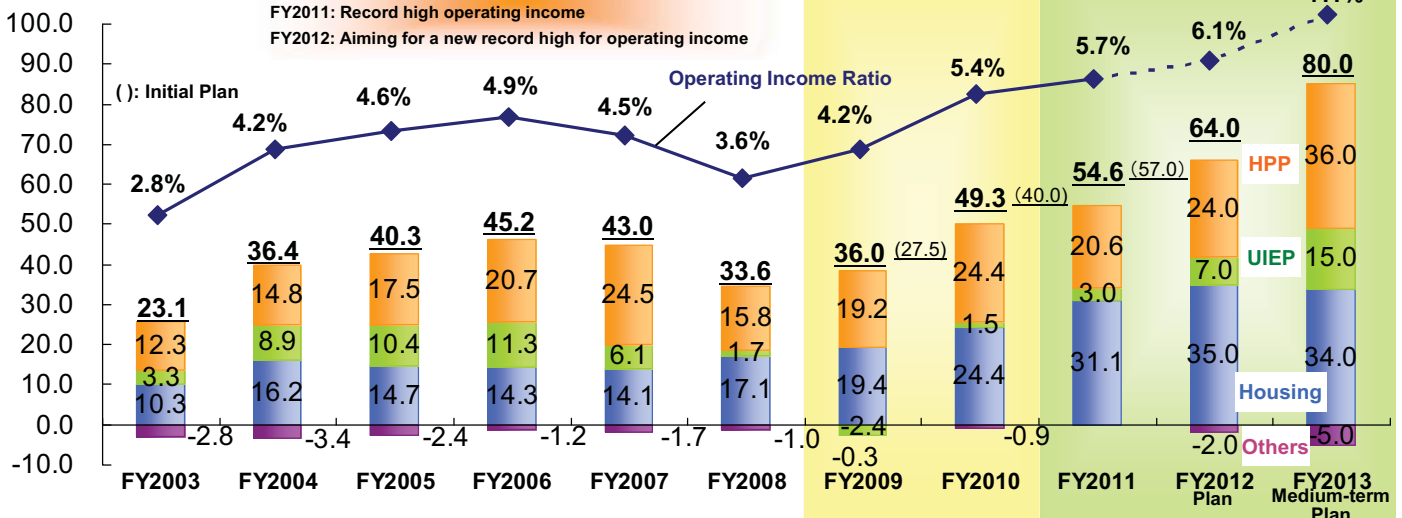
SEKISUI CHEMICAL GROUP

2

Operating Income by Company

(Billions of yen)

FY2010: Highest operating income result since adopting the internal divisional company system
 FY2011: Record high operating income
 FY2012: Aiming for a new record high for operating income



External Environment

| Year | Event |
|---------|-----------------------------------|
| 2007/06 | Stricter Building Standards Act |
| 2008/10 | Lehman Shock |
| 2011/03 | Great East Japan Earthquake |
| 2011/09 | European financial crisis worsens |
| 2011/10 | Flooding in Thailand |

Our Measures

| Year | Measure |
|-----------|---|
| 2006/09 | Daiichi Pure Chemicals acquired (MD, HPP) |
| 1H FY2007 | Large-scale restructuring (Housing) |
| 2008/05 | Full-fledged overseas business launch (Pipeline Renewal) |
| 2009/04 | Acquired PVA resin businesses (AT, HPP) |
| 2011/02 | Major U.S. diagnostic reagent business acquired (MD, HPP) |
| 2011/04 | ITO film business Acquired (IT, HPP) |

SEKISUI CHEMICAL GROUP

3


Overview of FY2012

(Billions of yen)

| | FY2012 (Plan)* | FY2011 (Actual) | Difference |
|------------------|----------------|-----------------|------------|
| Net Sales | 1,050.0 | 965.1 | 84.9 |
| Operating Income | 64.0 | 54.6 | 9.4 |
| Ordinary Income | 62.0 | 54.2 | 7.8 |
| Net Income | 34.0 | 28.1 | 5.9 |

| Overseas subsidiaries Jan-Mar 2012 forecast |
|---|
| 38.0 |
| 0.4 |

| Dividend per Share (Yen) | 18 | 15 | 3 |
|--------------------------|----|----|---|
| | | | |

*Due to reporting period revisions for overseas subsidiaries, the FY2012 targets include 15-month (January 2012 to March 2013) contributions from overseas subsidiaries.
(Consolidated subsidiary reporting periods will be revised to the March fiscal year end in FY2012)


Net Sales and Operating Income by Company

(Billions of yen)

| | 1H FY2012 (Plan) (Overseas subsidiaries, 9-months) | | | | FY2012 (Plan) (Overseas subsidiaries, 15-months) | | | |
|---|---|-------------|------------------|------------|---|-------------|------------------|------------|
| | Net Sales | Difference | Operating Income | Difference | Net Sales | Difference | Operating Income | Difference |
| Housing | 230.0 | 10.6 | 16.0 | 1.6 | 470.0 | 20.6 | 35.0 | 3.9 |
| UIEP | 105.0 | 11.3 | 0 | 0.6 | 225.0 | 25.0 | 7.0 | 4.0 |
| HPP | 183.0 | 32.6 | 11.5 | 0.6 | 340.0 | 43.1 | 24.0 | 3.4 |
| Others | 21.0 | 0.9 | -0.7 | -0.4 | 43.0 | -0.5 | -1.0 | -0.8 |
| Eliminations or Unallocatable Accounts | -15.0 | -2.9 | -0.3 | -0.6 | -28.0 | -3.3 | -1.0 | -1.2 |
| Total | 524.0 | 52.6 | 26.5 | 1.8 | 1,050.0 | 84.9 | 64.0 | 9.4 |

| Overseas subsidiaries Jan-Mar 2012 forecast | |
|--|------------------|
| Net Sales | Operating Income |
| - | - |
| 5.0 | -0.8 |
| 33.0 | 1.3 |
| - | - |
| - | -0.1 |
| 38.0 | 0.4 |

*Due to reporting period revisions for overseas subsidiaries, 1H FY2012 targets include nine-month (January to September 2012) contributions and the full-year FY2012 targets include 15-month (January 2012 to March 2013) contributions from overseas subsidiaries.

Market and Business Risk

Market

| | |
|-------------------------|---|
| Japan | YoY demand recovery supported by extended and reinstated various government stimulation measures. Reconstruction-related demand expected to begin appearing in 2H |
| Asia & Emerging Country | Concern of slower growth in some areas, but ongoing steady growth overall |
| America | Recovery trend on recovering employment and improving consumer sentiment |
| Europe | Economic stagnation from debt problems and priority on fiscal reconstruction in all countries |

Business Risk

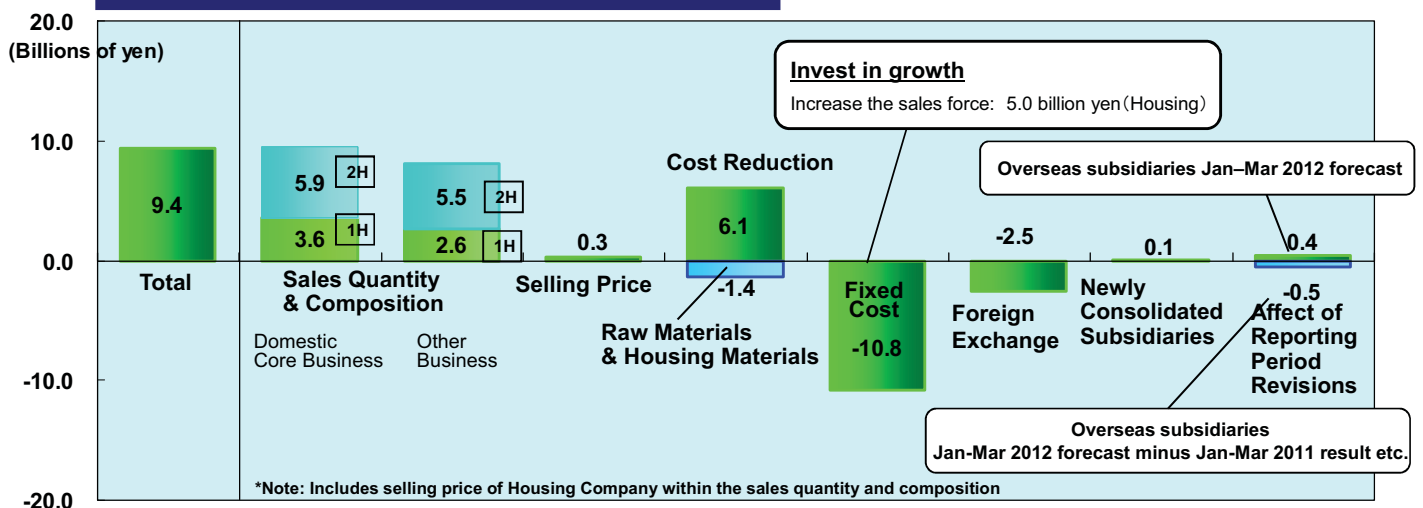
| | |
|------------------|--|
| Foreign Exchange | High yen correction trend continuing versus the dollar and euro |
| Raw Materials | Rising price trend in naphtha-derivative raw materials |
| Other Factor | Exacerbation of European debt problems carries risk impacting global economic conditions |

| Business Field | Market Environment and Business Opportunity |
|---------------------|--|
| Domestic Businesses | Housing Field YoY market improvement on spurred by stimulation measures and the emergence of demand ahead of a consumption tax hike. Growing demand for productions using natural energy. |
| | Water Infrastructure Field Forecasting YoY demand growth on rising new housing starts and the surfacing of some reconstruction-related demand. Growing demand for anti-seismic and energy-saving products. |
| Global Businesses | Automobile Field Segment growth on market recovery in Japan and the Americas and continuing growth in developing countries, such as Asia. Further rise in demand for lighter automobiles and energy-saving components.. |
| | IT & Electronics Material Field Anticipating liquid-crystal product demand remain near the bottom level in 1H with recovery starting in 2H Forecast for continuing growth led by demand for mobile devices materials. |
| | Medical Field Forecast for brisk sales on diagnostic agent demand, which is resilient to fluctuating business conditions. Beginning of full-fledged device business development in North American and European markets lead by the acquired Sekisui Diagnostics, LLC. |
| | Pipeline Renewal Field In Japan, forecast for a larger budget than last year when including orders carried over from the previous year. Eastern Europe business bases established via acquisitions, business structure prepared for order expansion. |

Overview of FY2012

1. Domestic core businesses further establish market presence as demand enters expansion phase.
2. Revitalize the Global Strategic Businesses (EX. The F7 businesses) to ensure capitalizing on the recovering demand.
3. Continue measures to strengthen cost competitiveness and fortify the business base.
4. Accelerate seed planting to cultivate next-generation revenue streams

Analysis of Operating Income for FY2012 (year-on-year)




Key Measures in FY 2012

**Advance the growth strategies and base strengthening measures in parallel
for the Domestic Core Business and Global Strategic Business (F7 and other business)**

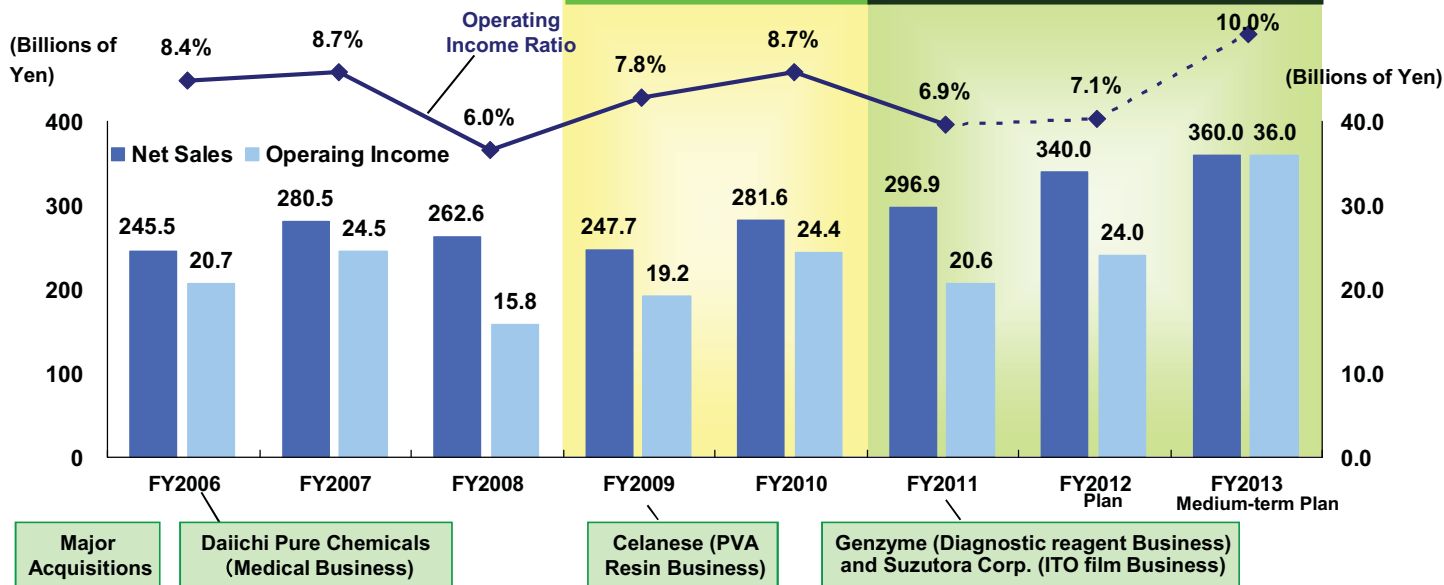
| | Domestic Core Business | Global Strategic Business (F7 and other business) |
|--|--|--|
| -Stand out with strong businesses and products -Create and cultivate new demand | <ul style="list-style-type: none"> •Become the top smart house provider with Shin Smart Heim (large capacity solar, HEMS, large capacity storage batteries)<Housing> •Increase the sales force (add sales staff)<Housing and Living Environment> •Use the value chain system to attract packaged product orders and respond to reconstruction demand <Water Infrastructure> | <ul style="list-style-type: none"> •Expand the business supplying products for mobile devices <IT> •Increase high performance interlayer film sales <AT> •Leverage the SD acquisition to increase diagnostic drug sales overseas <MD> •Use the acquired Eastern Europe engineering company as a base for expanding orders <Pipeline Renewal> |
| -Increase cost competitiveness -Fortify the business base | <ul style="list-style-type: none"> •Use the integrated production-sales to deepen area strategies and advance the leveling of production and construction <Housing> •Implement production reorganization and distribution reform <UIEP> | <ul style="list-style-type: none"> •Construct an effective supply chain allocation for interlayer film <AT> •Implement structural reform, such as integrating SD and ADI <MD> •Develop an area-based unified management system for overseas operations < Overseas Business, UIEP> |



High Performance Plastics Company

Takayoshi Matsunaga
Company President

Net Sales and Operating Income



| Profit and loss impacts | Factor | FY2005 → FY2011 |
|-------------------------|------------------------------------|------------------------|
| External Environment | Foreign exchange and Raw Materials | -30.0 billion yen |
| Our Measures | Price hike and Expanded sales | Procure further return |
| | M&A and Expanded capacity | |

Overview of FY2011

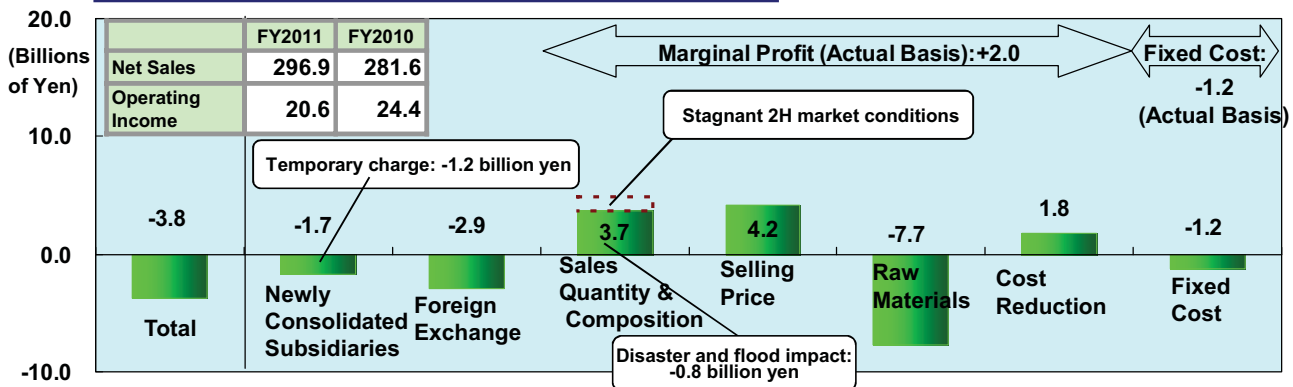
Profit declined from a sales volume shortfall in worse than expected 2H market conditions along with high materials costs and a strong yen

IT: Sales fell amid declining demand for TV and computer materials while sales rose for smartphone and tablet device materials

AT: Sales fell from declining demand due to the European fiscal crisis and the impact of the reduced domestic auto production due to the Japan disaster and Thai floods

MD: The consolidation of Sekisui Diagnostics boosted sales, but profit dropped from one-time charges and other expenses

Analysis of Operating Income for FY2011 (year-on-year)



Business Policy for FY 2012 *“Chemistry for your Win”*

Toward a growth trajectory

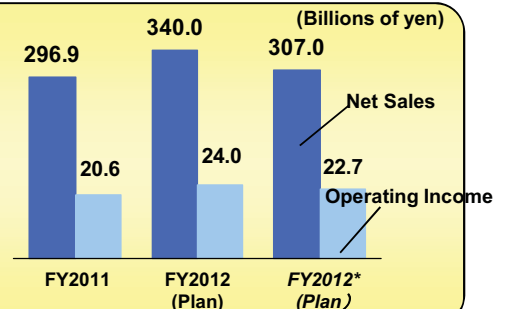
Profit structure reform and basic strength improvement

1. Growth Strategy

Fortify strategic businesses, advance new products and businesses

2. Reinforce the management base

Basic strength improvement, stronger human resource management, safety, quality, and compliance

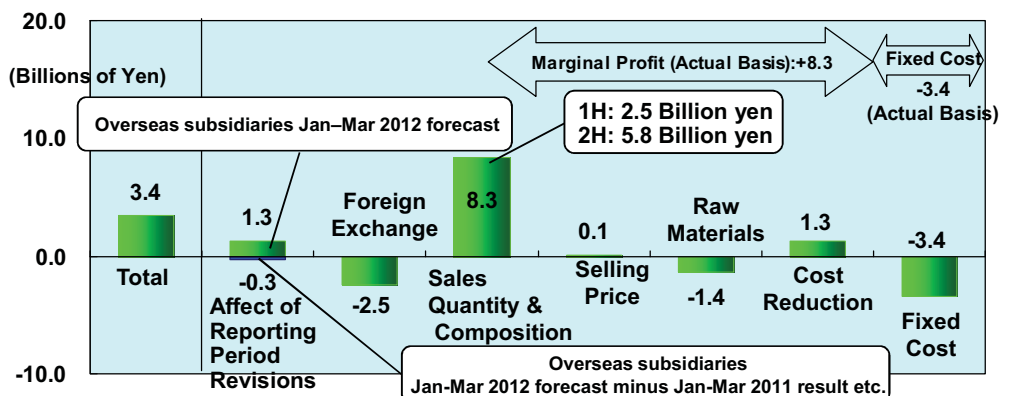


* Figures of Overseas subsidiaries are the 12-month period from April to March of the following year.

Market Assumptions

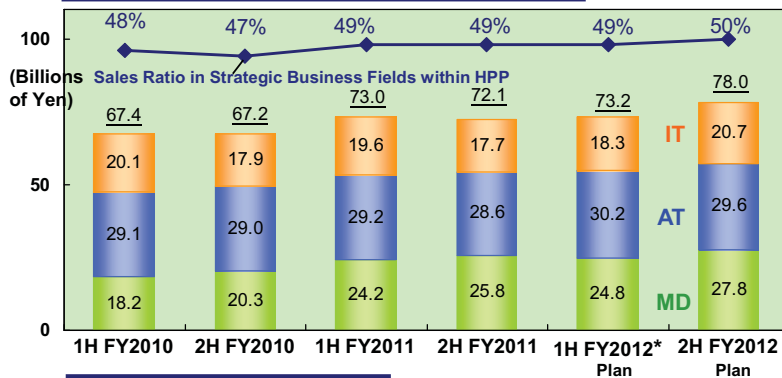
| Area and Fields | Status |
|---|--|
| ○ Economic conditions (U.S.A) | Recovery trend Strong yen weakens |
| × IT market conditions and Economic conditions (Europe) | Still flat Anticipating recovery in 2H FY2012 |

Analysis of Operating Income for FY2012 (year-on-year)

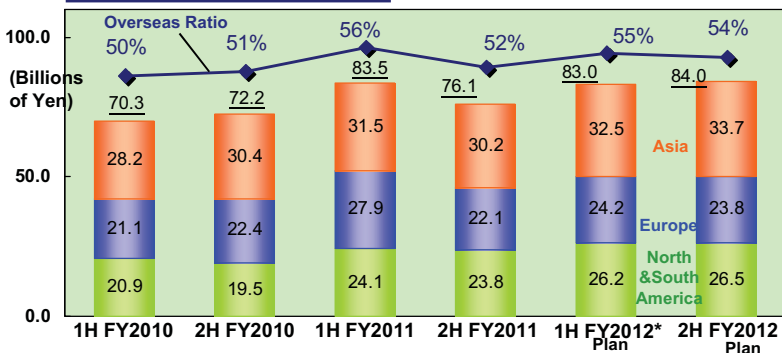


Growth strategy

Sales in Strategic Business Fields



Overseas Sales



* Figures of Overseas subsidiaries are the 6-month period from April to September.

1. Fortify strategic fields

IT : Focus efforts in growth fields

- Smartphone, Tablet
- Develop New Products**
- ITO film, Organic EL component

AT : Expansion and strengthen profit base

- Increase high performance interlayer film sales
- Expand frontiers**
- Expand interlayer film business in emerging markets
- Expand molded auto parts sales in India

MD : Accelerate the SD synergy

- Launch SMD product sales and equipment business

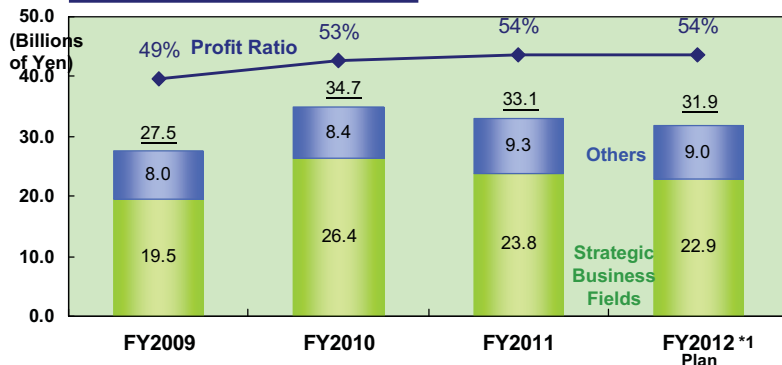
2. Reform profit structure

AT : An effective supply chain allocation for interlayer film

MD : Reform business structure

- Reform the North America business
- Reestablish the medical business

New Products Sales



*1: Figures of Overseas subsidiaries are the 12-month period from April to March of the following year.

3. Advance new products and new businesses

1) Produce products in the key development themes and accelerate sales activities

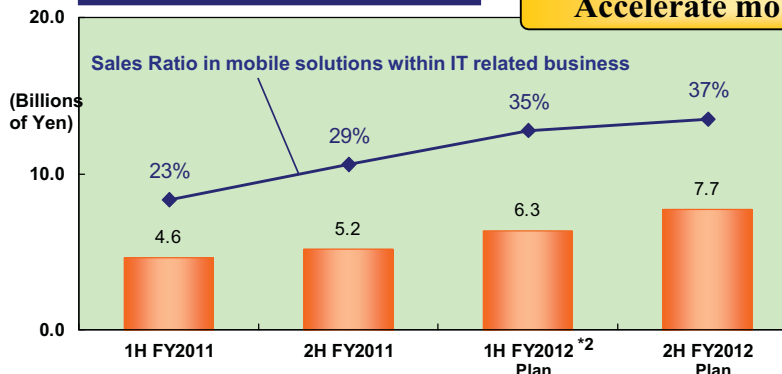
- Add energy and semiconductor materials to priorities

2) Expand new businesses

- Expand business scale

Mobile Solutions Sales

Accelerate mobile solutions



* 2: Figures of Overseas subsidiaries are the 6-month period from April to September.

Mobile solutions products

Conductive Fine Particles

Adhesive

ITO film

High-performance Double-faced Tape

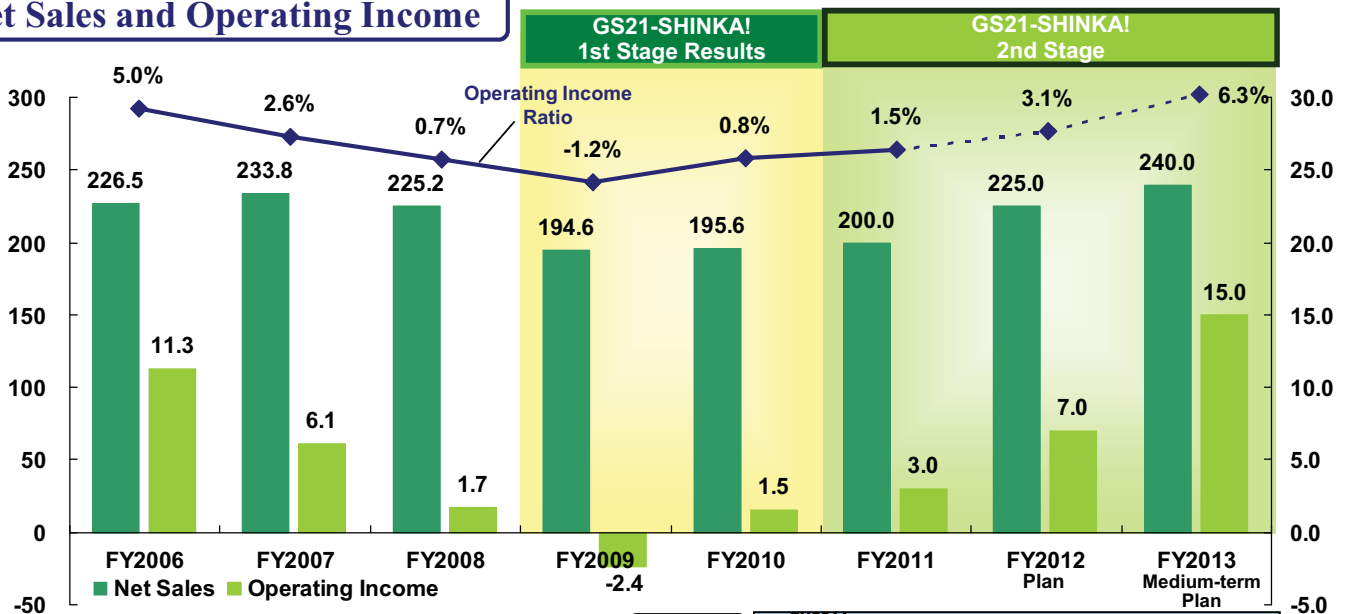
Shock-resistance foam tape



Urban Infrastructure and Environmental Products Company

Kozo Takami
Company President

Net Sales and Operating Income



| | | |
|-----------------------------|--|---|
| External Environment | FY2011: Post-disaster restoration & European economic crisis | 2H FY2012: Full-fledged post-disaster reconstruction |
| Our Measures | FY2011: Begin major business model reform | FY2012: Accelerate and produce results from the value chain development |

FY2011: Turn on the attack
Implement major business model reform
Fully apply and implement in all divisions

➔

FY2012: Accelerate and produce results



Overview of FY2011

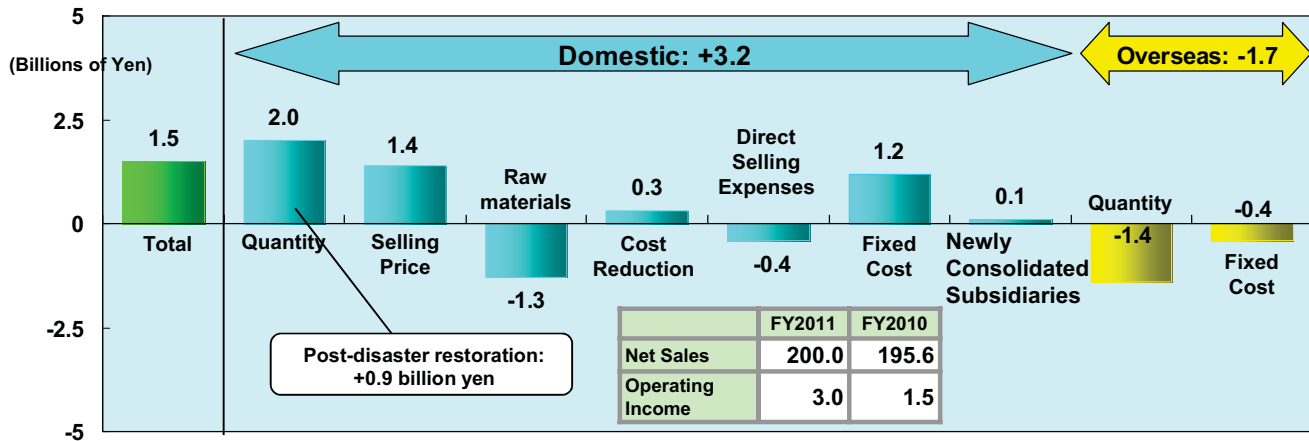
Domestic Business

-Core PVC product earnings recovered on post-disaster restoration demand and improved margin
 -The pipeline renewal business recorded revenue growth from new consolidated companies, but results fell short of target due to postponed project orders and other disaster impacts.

Overseas Business

-The harsh business environment strongly impacted the pipeline renewal business (Europe: slowing due to the economic crisis US: reduced and postponed public sector investment budget)

Analysis of operating income for FY2011 (year-on-year)

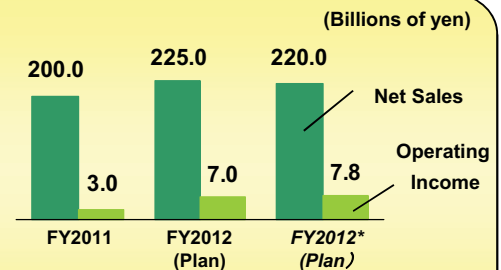


Business Policy for FY 2012

After the Rolling Plan, put all energies into “creating a framework” and “producing actual results” of the value chain business to ensure achieving the medium-term management plan targets

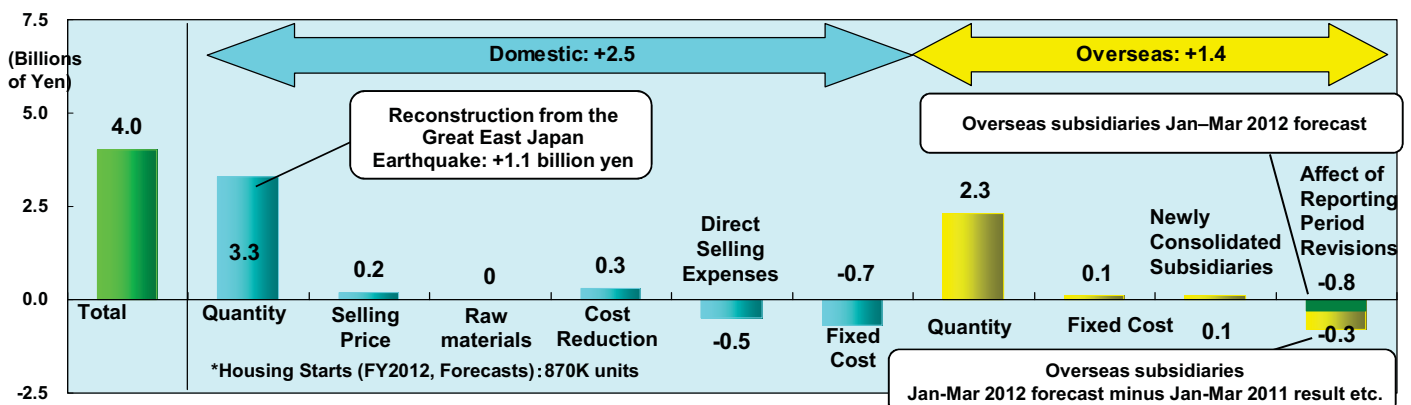
【Key Measures】

1. Advance the value chain business (new organization to stimulate full capabilities)
2. Steady response to post-disaster reconstruction demand
3. Reestablish overseas businesses



*Figures of Overseas subsidiaries are the 12-month period from April to March of the following year.

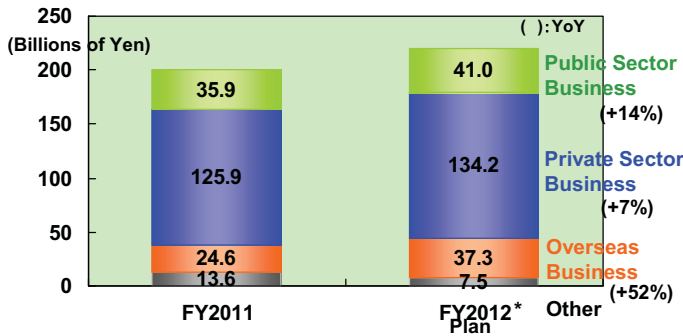
Analysis of operating income for FY2012 (year-on-year)





Priority Measures in FY2012

Net Sales by Business Domain

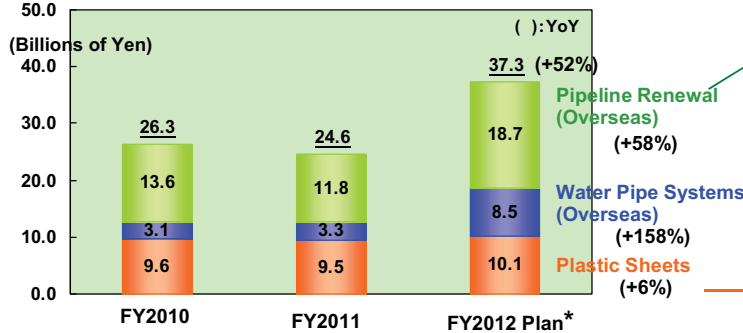


Gain of Sales by Business Domain

(Billions of Yen)

| Business Domain | Market Factor | Developing Value Chain | Develop the full potential | Reconstruction from Earthquake | Newly Consolidated Subsidiaries | Total |
|-------------------------|---------------|------------------------|----------------------------|--------------------------------|---------------------------------|-------------|
| Public Sector Business | 0 | 2.0 | 1.0 | 2.0 | — | 5.0 |
| Private Sector Business | 1.5 | 3.0 | 2.5 | 1.0 | — | 8.0 |
| Overseas Business | 1.0 | 4.0 | 4.5 | — | 3.0 | 12.5 |
| Total | 2.5 | 9.0 | 8.0 | 3.0 | 3.0 | 25.5 |

Overseas Sales



*Figures of Overseas subsidiaries are the 12-month period from April to March of the following year.

New consolidation effect (Rabmer Rohrtechnik GmbH in Eastern Europe)
Order growth from strengthened value chain structure (Europe, US)

Large increase in prospective orders
Expanded sales presence in demand regions from strengthened partnerships

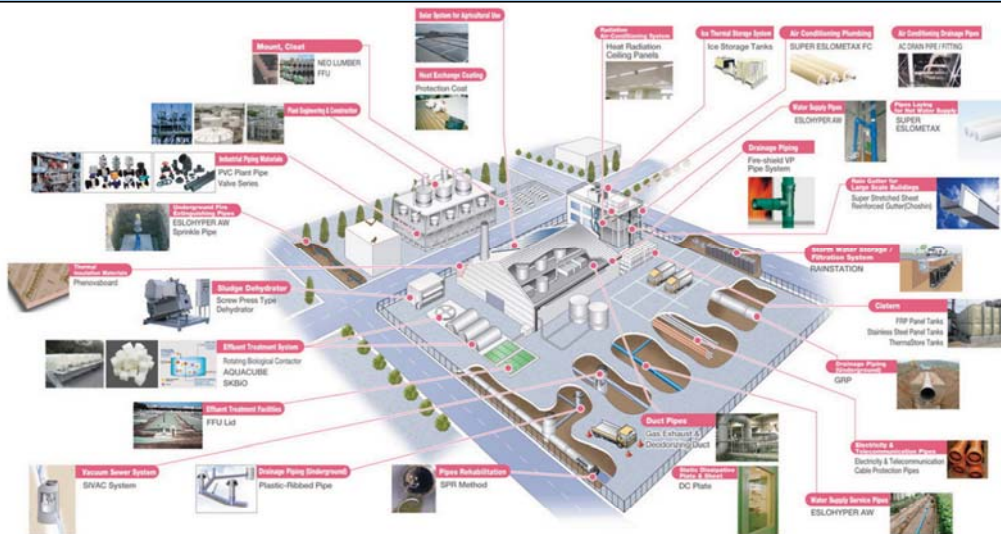
Intensify relations with aircraft clients and launch new materials to markets

*Figures of Overseas subsidiaries are the 12-month period from April to March of the following year.



Advance the value chain business

Develop factory value chain → Use full capabilities and VC to attract package orders



Business Value Chain

Inspection & Diagnosis
Provide inspection and diagnostic services for the laying of pipes at industrial plant facilities, including necessary renovation works and related services that are specially tailored to meet the needs of different facilities.

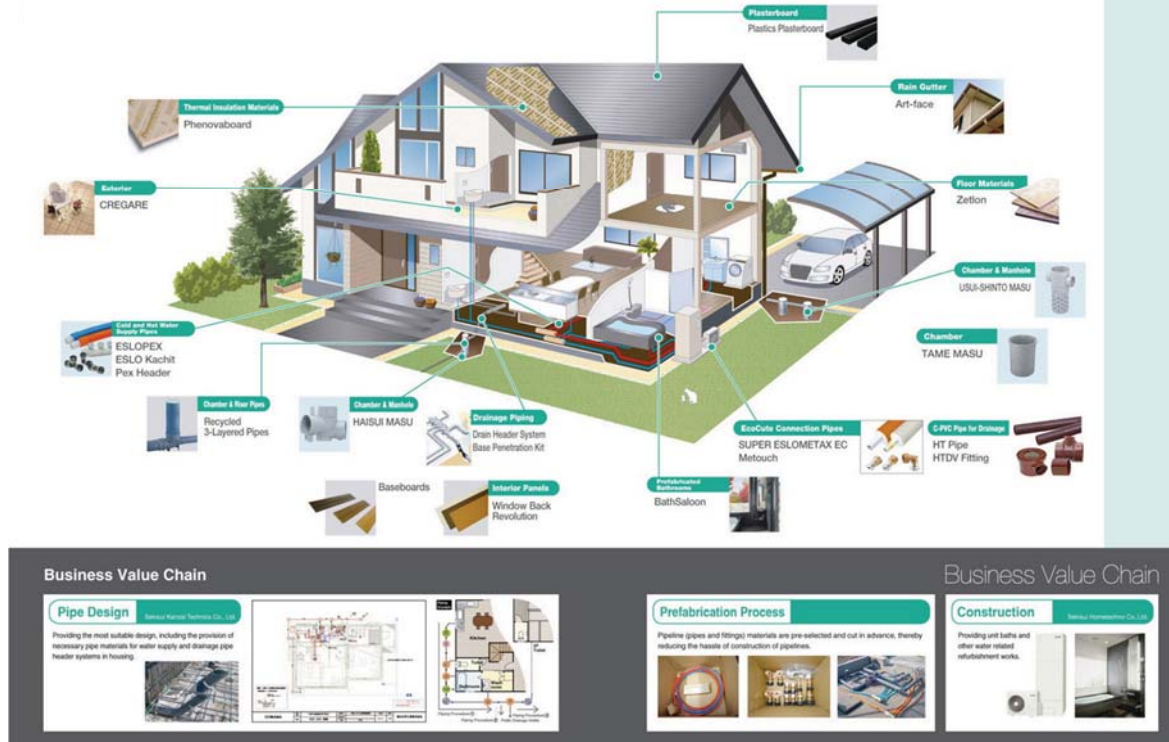
Design
Provide the most suitable design including reconstruction services for industrial plant facilities, utilities, sewage and sludge treatment facilities, as well as water supply and drainage facilities.

Construction
Offer a team of highly experienced and responsible staff that delivers absolutely environmentally safe management services, including post-work checking and testing support services on-site.

Maintenance Management
Provide long-term, responsible, safe and committed post-production maintenance systems that include highly required regular inspection and different types of related technical repairs.

Advance the value chain business

Develop housing value chain → Develop full capability of the plumbing products



Business Value Chain

Pipe Design

Providing the most suitable design, including the provision of necessary pipe materials for water supply and drainage pipe header systems in housing.



Prefabrication Process

Pipeline (pipes and fittings) materials are pre-selected and cut in advance, thereby reducing the hassle of construction of pipelines.



Business Value Chain

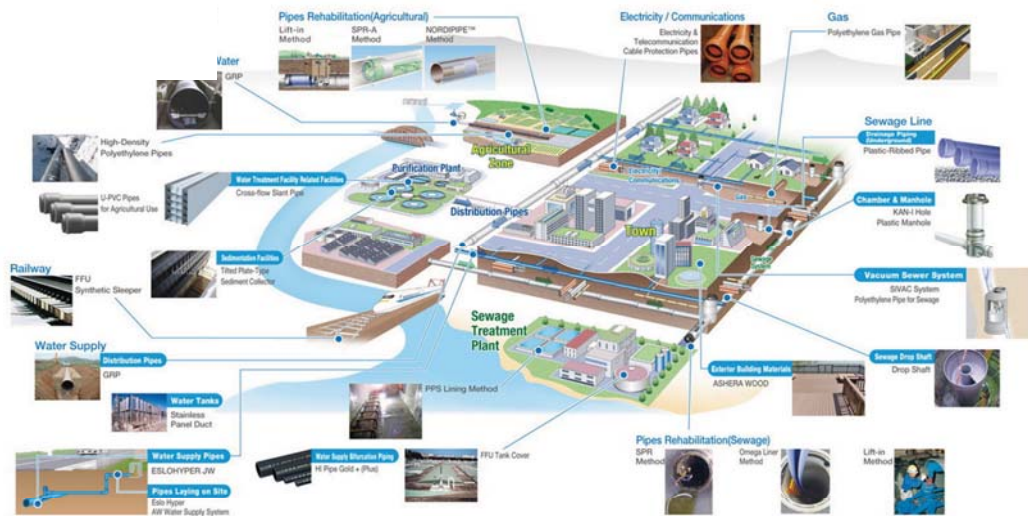
Construction

Providing just baths and other water related refurbishment works.



Advance the value chain business

Develop the public sector value chain → Use water infrastructure as a base for proposing comprehensive infrastructure projects



Business Value Chain

Inspection & Diagnosis

Provide diagnosis for water supply and sewerage network systems for large and small diameter pipe using the latest pipe diagnostic system.



Design

Provide sustainable planning for the rehabilitation of aging pipelines, including GPS Management and other related superior pipeline support services.



Construction

Offer the most suitable rehabilitation method for the rehabilitation of aging pipelines, including on-site pipe rehabilitation works.



Business Value Chain

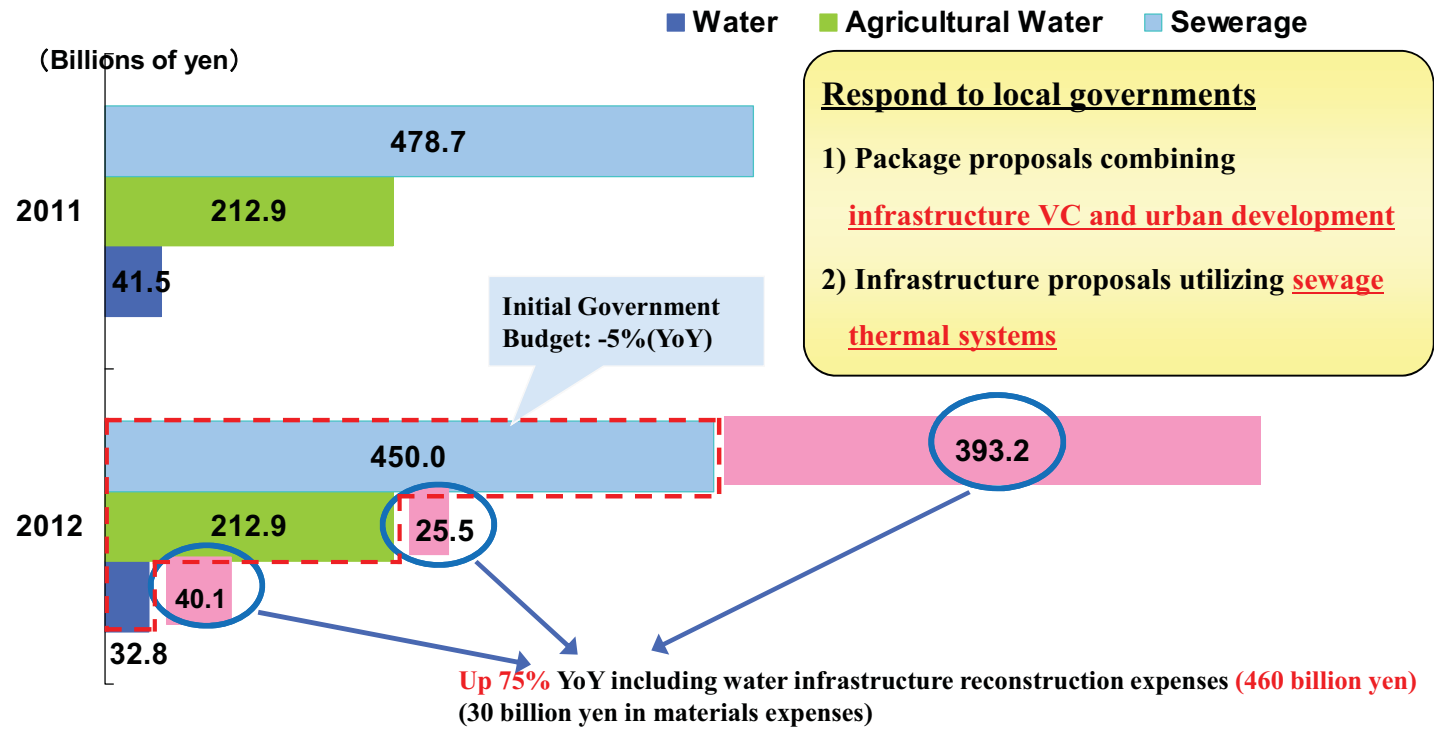
Maintenance Management

Offer sustainable pipeline networks through periodic inspection and maintenance support service services.



Steady response to post-disaster reconstruction demand

Government Budget for Water Infrastructure
(Sekisui Chemical estimate)



Respond to local governments

- 1) Package proposals combining infrastructure VC and urban development
- 2) Infrastructure proposals utilizing sewage thermal systems

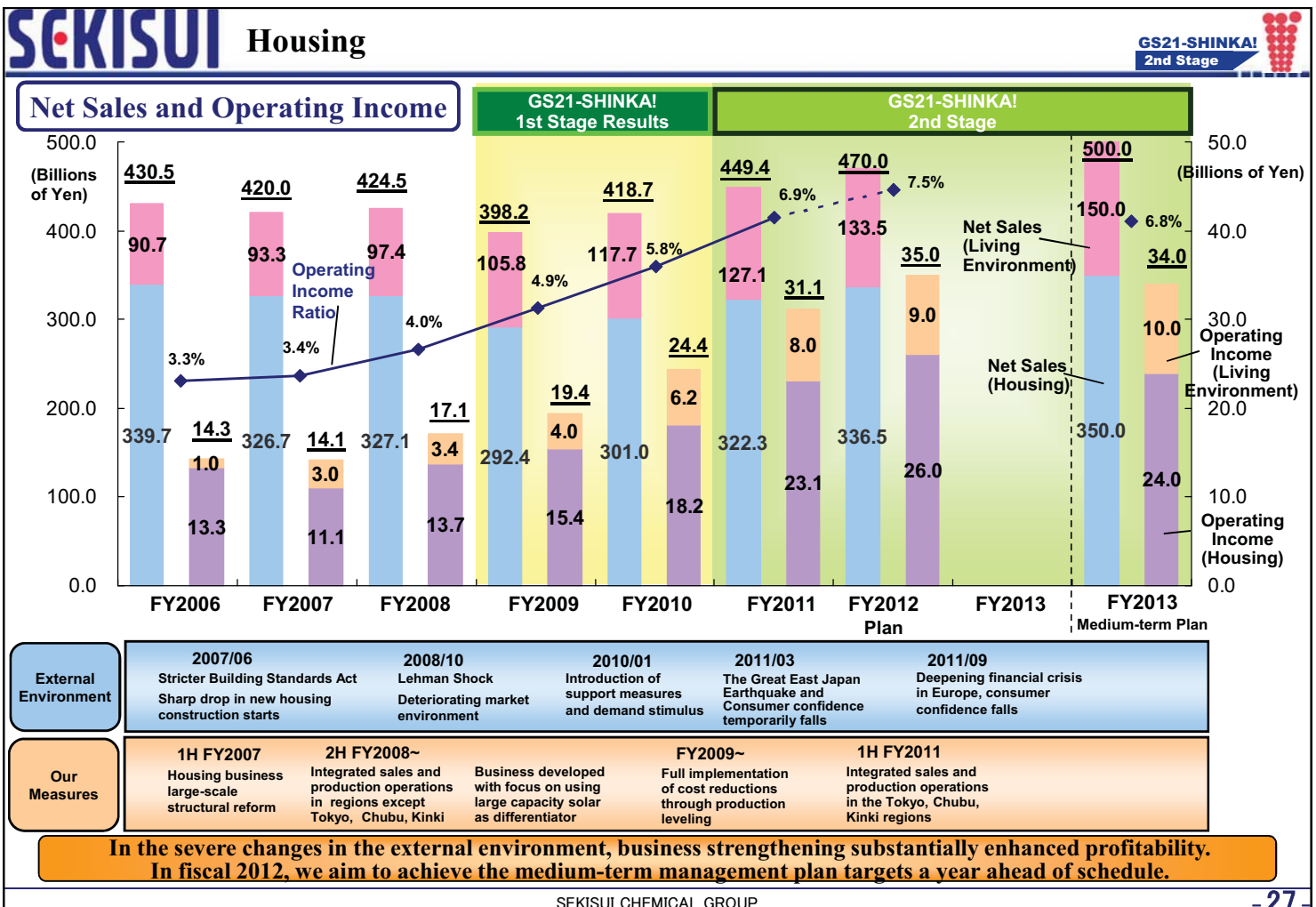
Reestablish overseas businesses

Unified area-based management to develop the full potential

| | Pipeline Renewal Business | Global Water Pipe System Business & Sheets Business |
|-------------------------------------|---|--|
| Market Environment | <ul style="list-style-type: none"> ● Western Europe and U.S.A: Flat ● Eastern Europe: Active infrastructure construction | <ul style="list-style-type: none"> ● China: Growing (Shinjang and Coastal regions) ● Sheet Business: Growing (Aircraft) |
| Measures for Reestablishment | <ul style="list-style-type: none"> ● Europe <u>Market Share (FY2011: 9% → FY2012: 15%)</u> • Strengthening the value chain structure (EX.Rabmer Rohrtechnik GmbH) • Specialization in Eastern Europe markets • Expanding percentage of orders as a prime contractor (FY11: 30% ⇨ FY12: 50%) ● U.S.A <u>Market Share (FY2011: 5% → FY2012: 6%)</u> • Increase ability to attract project orders by unifying management of the three pipeline renewal companies | <ul style="list-style-type: none"> ● Global Water Pipe System Business (China) • Construct a value chain structure in coastal regions ● Sheet Business • Accelerate development by activating the synergies of the two sheet companies |

Housing Company

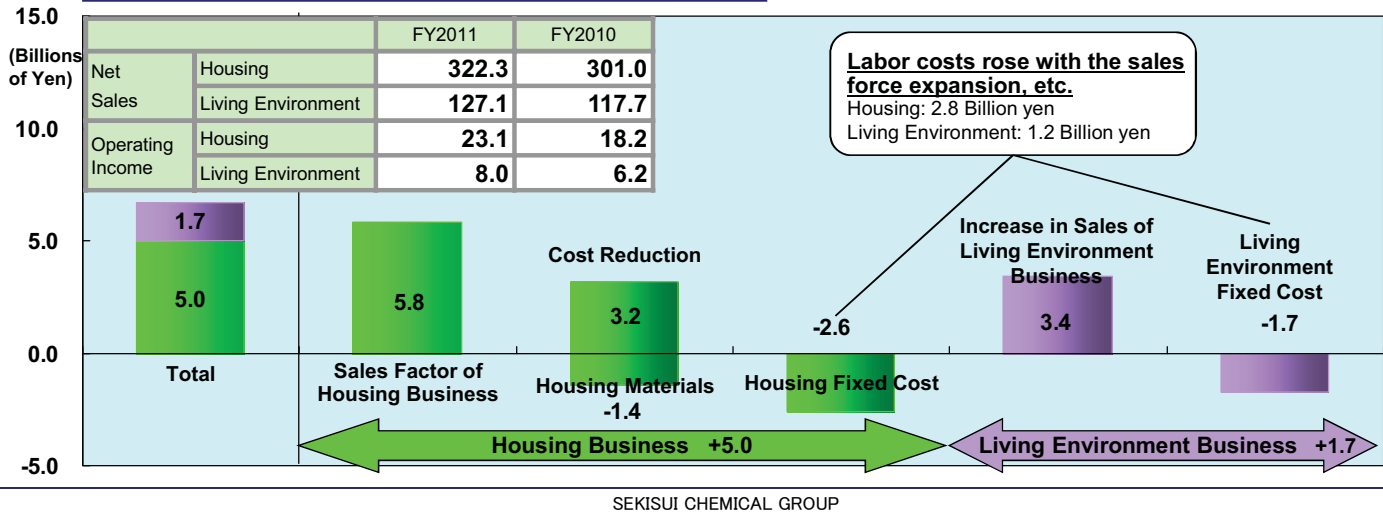
Teiji Kouge
Company President



Overview of FY2011

- Increased sales of leading-edge Smart Heim houses (large capacity solar, HEMS, Comfort Air System)**
-FY2011 Housing Order: +3% (Units base, YoY)
- Fortified lineup of products with readily perceivable cost performance (new Bj series, new Grand To You)**
- Expanded the Living Environment Business**
-FY2011 Sales of Living Environment Business: +8% (YoY)
- Completed the nationwide integrated production and sales structure**
-Completed the shift to the production and sales operation in the Tokyo, Chubu, and Kinki areas

Analysis of operating income for FY2011 (year-on-year)

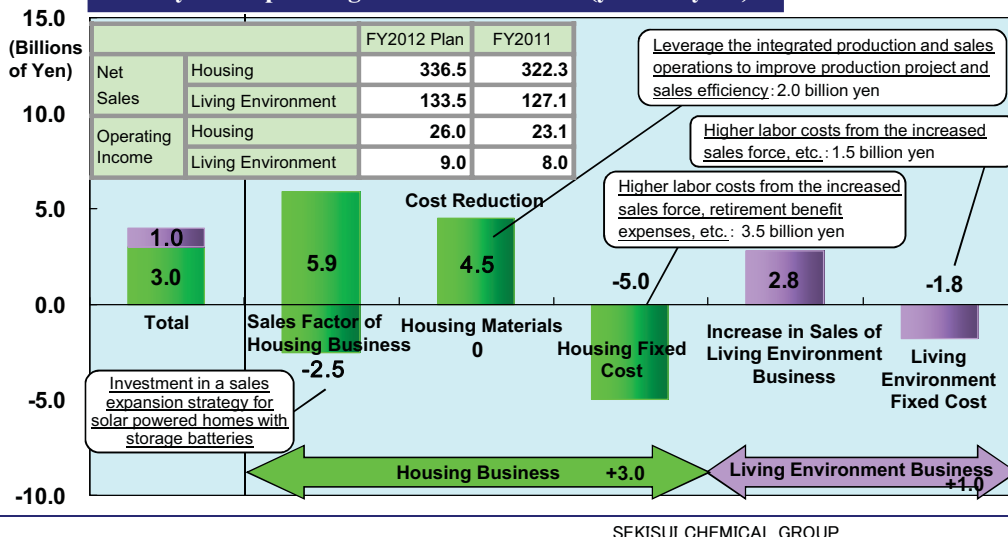


Priority Measures in FY2012

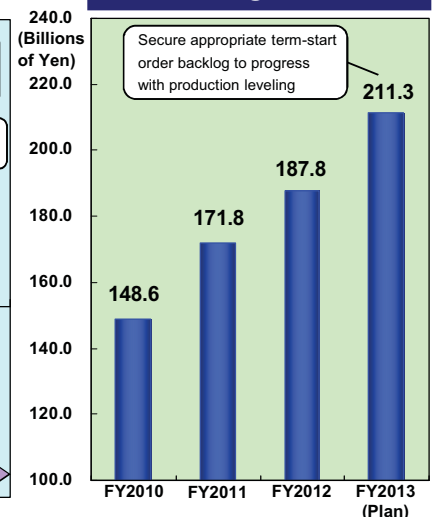
Accelerate profitable growth through "cost reform" and becoming "No 1 in smart houses."
Aim to achieve the Rolling Plan of the medium-term business plan a year ahead of schedule.

- Further advance our leading-edge housing (expand volume of Shin smart houses)**
-Housing Order (FY2012 Plan): +4% (Units base, YoY)
- Maximize management efficiency with realized cost reform based on the integrated production and sales structure**
-Operating Income Ratio (FY2012 Plan): 7.5%
- Continue growing the living environment business**
-Sales of Living Environment Business (FY2012 Plan): +5% (YoY)
- Increase and quickly train the sales force to fuel ongoing growth.**
-Create a sales force structure of 2,500 in the new construction and 1,500 in the refurbishing businesses

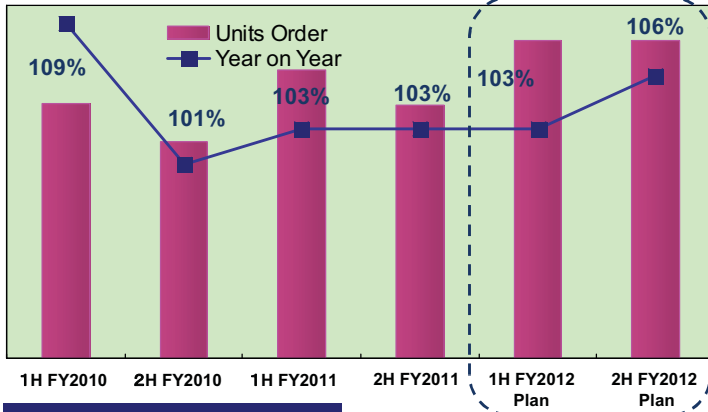
Analysis of operating income for FY2012 (year-on-year)



Order backlogs at term start



Measures to acquire Housing Orders in FY2012



FY2012 Market Outlook

The market environment is expected to generally improve YoY

| | |
|-------------------------------------|---|
| Political Measures | Ongoing certain demand stimulation is expected from continuance of last year's main government policies The emergence of demand starting in 2H ahead of the anticipated consumption tax hike |
| Area | Forecasted reconstruction-related demand in the Northeastern region at roughly the same level as last year |
| Rebuilding /New Construction | Although not yet full-fledged, expecting demand to begin appearing, mainly in the northeast and the Tokyo region New construction demand continues solid YoY focused on first-time home buyers |

FY2012 Plan
Housing order 1H: +3% 2H: +6% Full year: +4% (YoY)
Sales of Living Environment Business: +5% (YoY)

Differentiated Products

- **Become the top smart house provider**
 - April nationwide launch of "Shin Smart Heim" with storage batteries
 - Further product differentiation by highlighting the "large capacity solar" and "zero-utility-cost house"
- **Stimulate and acquire replacement construction demand**
 - Stimulate replacement construction demand with the July launch of "New Parfait"

Increasing staff and organization's power

- **Increase and strengthen the sales force**
 - Add 300 new sales staff for new housing order, Increase model exhibit sites focused on areas with active housing demand
- **With the production and sales integration completed, proceed deepening local-area strategies**

Business Strategy in Living Environment Business

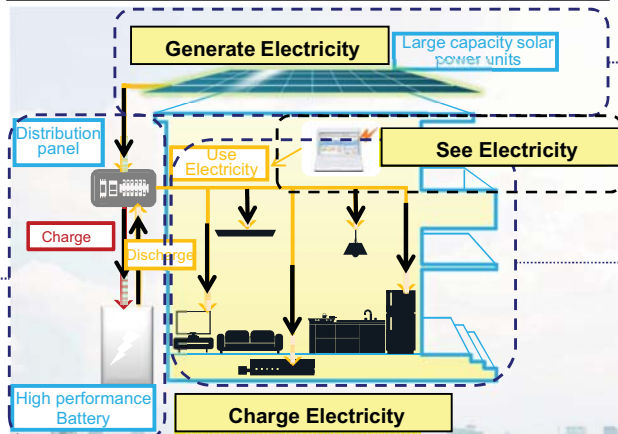
- **Continue expanding sales of mainstay products**
 - Introduce a 3-point energy set when the Smart Heim with storage batteries is launched
 - Enhance the periodic diagnostic testing system to raise the demand coverage rate for current occupants
- **Fortify the business base for further growth**
 - Add 80 more salespeople to the refurbishment sales staff

Differentiation Strategy with the New Smart Heim with Storage Battery

1. Make storage battery systems standard in all housing products. Sales targets of 5,000 units in FY2012 and 10,000 units in FY2013
2. Leverage the unique features of our solar powered homes to further enhance their economic efficiency
3. Verify the high economic effectiveness through demonstration testing and extensive data analysis of power consumption
4. Aggressively expand sales, include refurbishing construction, to the current owners

Large capacity solar power units generate an unrivaled average of 4.7kW output per home*

Layout of a Smart Heim home with storage batteries



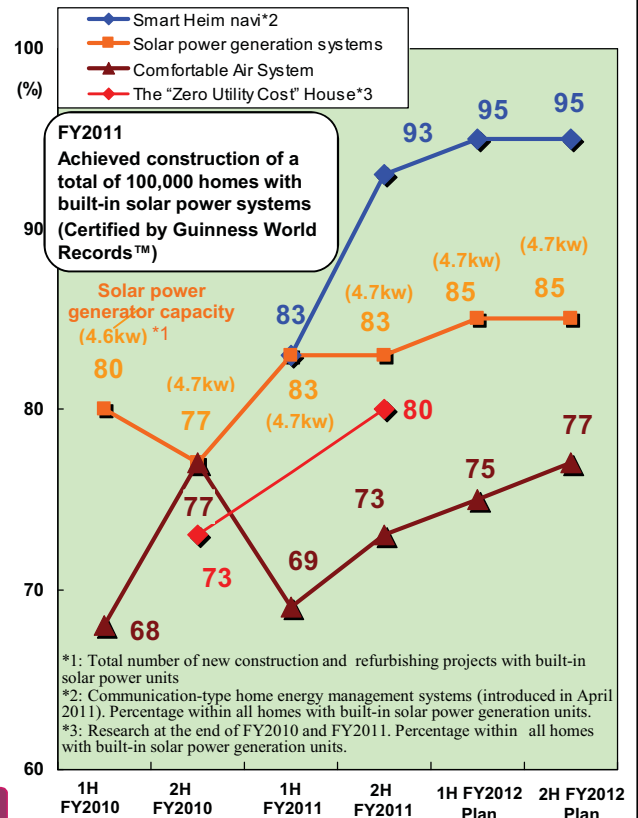
An integrated electrical system with built-in storage batteries, connected to electricity consumption area at home and transmission facility, enables additional economic efficiency.

80% factory produced housing achieves superior air-tightness and heat insulation

Energy-saving consultation capability based on know-how from building 100,000 homes

* Average power generation for newly constructed homes (excluding Sekisui Chemical homes): 3.9kW (Fiscal 2009, Sekisui Chemical estimate)

Sales Percentages of Homes with High-performance Options



Financial Results for FY2011

Hideo Tagashira

Senior Managing Executive Officer

Responsible for Corporate Finance & Accounting Department



Number of Consolidated Companies

| | End March 2012 | End March 2011 | Difference |
|----------------------------|----------------|----------------|---|
| Consolidated Companies | 157 | 155 | Sekisui Diagnostics (Former Genzyme Corporation, Diagnostic reagents business), Sekisui Nano Coat Technology Co., Ltd (Former Suzutora Corporation, ITO film for touch panels business), etc. |
| Affiliates (Equity Method) | 8 | 8 | - |

Influence of Change in Number of Consolidated Companies

(Billions of yen)

| | | |
|------------------|-------|--|
| Net Sales | +18.9 | Sekisui Diagnostics* Sekisui Nano Coat Technology Co., Ltd* |
| Operating Income | -1.6 | |

* Newly consolidated from 1Q FY2011

Summary of Profit and Loss

(Billions of yen)

| | FY2011 | FY2010 | Difference |
|---|--------|--------|------------|
| Net Sales | 965.1 | 915.5 | 49.6 |
| Gross Income of Sales | 285.6 | 270.0 | 15.5 |
| Gross Income Rate | 29.6% | 29.5% | 0.1% |
| Selling, Gen. and Admin. Expenses | 231.0 | 220.7 | 10.3 |
| Operating Income | 54.6 | 49.3 | 5.3 |
| Investment Income by Equity Method | 1.8 | 1.7 | 0 |
| Other Non-operating Income and expenses | -2.2 | -2.8 | 0.6 |
| Recurring Income | 54.2 | 48.3 | 5.9 |
| Extraordinary Income | 3.3 | - | 3.3 |
| Extraordinary Loss | 8.2 | 8.5 | -0.3 |
| Income before Income Taxes | 49.2 | 39.8 | 9.4 |
| Corporate Income Tax etc. | 20.2*2 | 15.1 | 5.1 |
| Income for Minority Shareholders | 0.9 | 1.1 | -0.2 |
| Net Income | 28.1 | 23.6 | 4.5 |
| Dividend per Share (Yen) | 15 | 13 | 2 |

(30.7)*1

(6.8)*1

Gain on sale of land

*1: Excluding the contribution from newly consolidated subsidiaries, *2: The increase includes a reversal of ¥2.6 billion in deferred income tax assets due to a reduced corporate tax rate in FY2012 and the booking of ¥1.0 billion in deferred income tax assets due to the adoption of a consolidated tax system in FY2012.

SEKISUI CHEMICAL GROUP

-34-

Consolidated Cash Flows

(Billions of yen)

| | FY2011 | FY2010 |
|---|---------|--------|
| Operating Activities Cash Flows | 66.7 | 64.2 |
| Investing Activities Cash Flows | -70.7*1 | -46.1 |
| Financing Activities Cash Flows | -16.1*2 | -5.2 |
| Net Increase in Cash and Cash Equivalents | -21.1 | 10.5 |
| Cash and Cash Equivalents at the End of Term | 45.1 | 65.9 |
| Free Cash Flow =Operating Activities Cash Flows +Investing Activities Cash Flows -Dividends Paid | -12.3 | 12.6 |

*1: Includes 30 billion yen for the acquisition of Genzyme's diagnostic agents business and Suzutora

*2: Includes 4.5 billion yen in stock repurchases (planned for elimination)

SEKISUI CHEMICAL GROUP

-35-


Balance Sheet (Assets)

(Billions of yen)

| | End March 2012 | End March 2011 | Difference |
|-------------------------------|-------------------|-------------------|-------------|
| Cash and Deposits | 75.4 | 75.0 | 0.4 |
| Account Receivable on sales | 156.9 | 148.0 | 9.0 |
| Inventories | 132.6 | 117.9 | 14.7 |
| Other Current Assets | 35.4 | 38.7 | -3.3 |
| Tangible Non-Current Assets | 231.2 | 236.3 | -5.1 |
| Intangible Non-Current Assets | 51.9 | 29.8 | 22.1 |
| Investments in Securities | 107.9 | 105.3 | 2.6 |
| Investments & Other Assets | 35.8 | 39.3 | -3.6 |
| Total Assets | 827.1 | 790.2 | 36.9 |

 Newly Consolidated
Subsidiaries: +4.7

Certificate of Deposit: -10.5

 Newly Consolidated
Subsidiaries: +7.6

 Newly Consolidated
Subsidiaries: +26.3

At fair value: +2.1

 Newly Consolidated
Subsidiaries: +47.0
Foreign Exchange: -2.5

Balance Sheets (Liabilities & Net Assets)

(Billions of yen)

| | End March 2012 | End March 2011 | Difference |
|---------------------------------------|-------------------|-------------------|-------------|
| No Interest Bearing Liabilities | 336.6 | 315.6 | 21.0 |
| Interest Bearing Liabilities | 127.2 | 124.5 | 2.7 |
| Total Liabilities | 463.8 | 440.1 | 23.7 |
| Capital Stock etc. | 209.3 | 209.3 | 0 |
| Retained Earnings | 192.9 | 172.7 | 20.2 |
| Treasury Stock | -17.4 | -13.0 | -4.3 |
| Unrealized Holding Loss on Securities | -7.6 | -8.2 | 0.6 |
| Minority Interests | 11.2 | 9.7 | 1.5 |
| Other Net Assets | -25.1 | -20.4 | -4.7 |
| Total Net Assets | 363.3 | 350.0 | 13.3 |
| Total Liabilities, Net Assets | 827.1 | 790.2 | 36.9 |

Advances received: +3.4

Bonds: +10.0

 Net Income: +28.1
Dividends Paid: -7.8

 Foreign Currency
Translation Adjustment:
-4.7


Depreciation and Capital Expenditure

(Billions of yen)

| | Depreciation | | | Capital Expenditure | | |
|------------------------------|--------------|-------------|------------|---------------------|-------------|------------|
| | FY2011 | FY2010 | Difference | FY2011 | FY2010 | Difference |
| Housing | 7.0 | 7.3 | -0.3 | 8.6 | 5.7 | 2.9 |
| UIEP | 6.6 | 7.0 | -0.4 | 5.1 | 5.6 | -0.4 |
| HPP | 18.8 | 17.6 | 1.2 | 16.7* | 12.1 | 4.6 |
| Others | 2.0 | 2.0 | 0 | 1.9 | 1.2 | 0.7 |
| Eliminated or Not attributed | 0.7 | 0.7 | 0 | 0.8 | 0.7 | 0.1 |
| Total | 35.1 | 34.5 | 0.6 | 33.1 | 25.3 | 7.8 |

*Taga plant production capacity expansion, etc.


Depreciation and Capital Expenditure

(Billions of yen)

| | FY2012 (Plan)* ¹ | FY2011 (Actual) | Difference |
|--------------------------------------|--------------------------------|--------------------|------------|
| Depreciation | 37.0* ² | 35.1 | 1.9 |
| Capital Expenditure | 35.0* ³ | 33.1 | 1.9 |
| Research and Development Expenditure | 26.0 | 25.6 | 0.4 |

*1: Due to reporting period revisions, FY2012 targets include 15-month (January 2012 to March 2013) contributions from overseas subsidiaries. (Consolidated subsidiary reporting periods will be revised to the March fiscal year end in FY2012)

*2: The affect on the depreciation allowance from the fiscal year period change amounted to 1.9 billion yen.

*3: Enhance production capacity at the Thai housing plant, etc.



(Billions of yen)

| | FY2012 (Plan)* ¹ | FY2011 (Actual) | Difference |
|-------------------------------|-----------------------------|-----------------|------------|
| Net Sales | 1,050.0 | 965.1 | 84.9 |
| Operating Income | 64.0 | 54.6 | 9.4 |
| Ordinary Income | 62.0 | 54.2 | 7.8 |
| Income before Income Taxes | 56.0 | 49.2 | 6.8 |
| Net Income | 34.0* ³ | 28.1 | 5.9 |

| Affect of Reporting Period Revisions* ² |
|---|
| 38.0 |
| 0.4 |

| | | | |
|-----------------------------|----|----|---|
| Dividend per Share (Yen) | 18 | 15 | 3 |
|-----------------------------|----|----|---|

*1: Due to reporting period revisions, FY2012 targets include 15-month (January 2012 to March 2013) contributions from overseas subsidiaries. (Consolidated subsidiary reporting periods will be revised to the March fiscal year end in FY2012)

*2: Due to reporting period revisions, FY2012 include 15-month (January 2012 to March 2013) contributions from overseas subsidiaries.

*3: Includes an approximate 2.0 billion yen decline in tax expenses due to the tax effect from the elimination of unrealized gain accompanying the adoption of the consolidated tax system.

*4: Foreign exchange rate assumptions are 77 yen/US Dollar and 102 yen/euro



Disclaimer : This presentation may contain forward-looking statements. Such forward-looking statements are based on current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements due to changes in global economic, business, competitive market and regulatory factors.

Housing Company Results and Plan

1. Main data in Housing business

| | | FY2011 | | | FY2010 | | | FY2009 |
|---------------------|--|--------|-------|--------|--------|-------|--------|--------|
| | | 1H | 2H | Annual | 1H | 2H | Annual | Annual |
| CONSOLIDATED | Sales (Billions of yen) | 219.4 | 230.0 | 449.4 | 208.1 | 210.6 | 418.7 | 398.2 |
| | Housing | 156.6 | 165.7 | 322.3 | 149.5 | 151.5 | 301.0 | 292.4 |
| | Houses | 147.5 | 157.3 | 304.7 | 142.7 | 144.9 | 287.6 | 279.9 |
| | Land | 9.2 | 8.5 | 17.6 | 6.8 | 6.6 | 13.4 | 12.5 |
| | Living environment | 62.8 | 64.3 | 127.1 | 58.6 | 59.1 | 117.7 | 105.8 |
| | Refurbishing | 43.6 | 45.2 | 88.8 | 40.9 | 41.0 | 81.8 | 72.2 |
| | Interior-Exterior | 2.8 | 2.9 | 5.8 | 3.0 | 2.7 | 5.8 | 5.4 |
| | Real estate | 16.3 | 16.1 | 32.5 | 14.7 | 15.4 | 30.1 | 28.2 |
| OTHERS | 1.Number of houses sold (housing units) | 6,330 | 6,910 | 13,240 | 6,020 | 6,600 | 12,620 | 12,600 |
| | Detached houses | 5,180 | 5,310 | 10,490 | 4,900 | 4,950 | 9,850 | 9,480 |
| | Heim | 4,170 | 4,220 | 8,390 | 4,090 | 3,980 | 8,070 | 7,740 |
| | Two-U | 1,010 | 1,090 | 2,100 | 810 | 970 | 1,780 | 1,740 |
| | Apartments | 1,150 | 1,600 | 2,750 | 1,120 | 1,650 | 2,770 | 3,120 |
| | 2. Main data | | | | | | | |
| | Prices<Sales subsidiaries : Detached houses>/Unit (Millions of yen) | 29.3 | 30.1 | 29.7 | 29.9 | 29.8 | 29.8 | 29.7 |
| | Prices<Sales subsidiaries : Detached houses>/Tsubo (3.3 Square meter) (Thousands of yen) | 759 | 773 | 765 | 763 | 772 | 766 | 758 |
| | Floor space (Square meter) | 127.3 | 128.5 | 127.9 | 129.5 | 127.5 | 128.5 | 129.3 |
| | Exhibition places (Units) | 390 | - | 404 | 384 | - | 380 | 382 |
| | Sales staff (Number of person) | 2,301 | - | 2,222 | 2,217 | - | 2,131 | 2,212 |
| | Rebuilding ratio (%) | 36 | 35 | 35 | 31 | 33 | 32 | 33 |
| | Referral sales ratio (%) | 39 | 40 | 40 | 37 | 38 | 38 | 36 |

* Replacement ratio and Referral ratio are based on time of orders-received.

2. Housing order

(Millions of yen)

| | FY2012 Plan | | | FY2011 | | | FY2010 | | |
|-----------------------|-------------|---------|-------------|---------|---------|---------|---------|---------|---------|
| | 1H Plan | 2H Plan | Annual Plan | 1H | 2H | Annual | 1H | 2H | Annual |
| Backlogs at beginning | 187,800 | 203,600 | - | 171,800 | 189,100 | - | 148,600 | 166,000 | - |
| Growth Rate | +9% | +8% | - | +16% | +14% | - | +9% | +18% | - |
| New Orders | 220,775 | 220,773 | 441,548 | 211,197 | 204,093 | 415,290 | 200,766 | 194,377 | 395,143 |
| Growth Rate | +5% | +8% | +6% | +5% | +5% | +5% | +11% | +3% | +7% |
| Sales of houses | 204,975 | 213,073 | 418,048 | 193,897 | 205,393 | 399,290 | 183,366 | 188,577 | 371,943 |
| Growth Rate | +6% | +4% | +5% | +6% | +9% | +7% | +4% | +4% | +4% |
| Balance at the end | 203,600 | 211,300 | - | 189,100 | 187,800 | - | 166,000 | 171,800 | - |
| Growth Rate | +8% | +13% | - | +14% | +9% | - | +18% | +16% | - |

3. Housing starts

(in number of unit)

| | FY2011 | | | FY2010 | | | FY2009 |
|--|---------|---------|---------|-------------------|---------|---------|---------|
| | 1H | 2H | Annual | 1 st H | 2H | Annual | Annual |
| Housing starts* | 432,760 | 409,240 | 842,000 | 407,885 | 411,125 | 819,010 | 775,277 |
| Privately-owned houses* (included in above) =A | 162,412 | 142,588 | 305,000 | 159,282 | 149,236 | 308,518 | 286,993 |
| Sales by our company | 6,330 | 6,910 | 13,240 | 6,020 | 6,600 | 12,620 | 12,600 |
| Detached house sales by our co.=B | 5,180 | 5,310 | 10,490 | 4,900 | 4,950 | 9,850 | 9,480 |
| Our share in Detached houses=B/A | 3.2% | 3.7% | 3.4% | 3.1% | 3.3% | 3.2% | 3.3% |

*"The housing starts" and "Privately owned houses" in 2H and Annual FY2011 are based on a forecast.

4. The ratio of the houses equipped with the high-performance specifications

| | FY2011 | | | FY2010 | | | FY2009 |
|--|--------|-----|--------|--------|-----|--------|--------|
| | 1H | 2H | Annual | 1H | 2H | Annual | Annual |
| Solar power generation systems installed | 83% | 83% | 83% | 80% | 77% | 79% | 77% |
| Tiled exterior wall (Heim type JX) | 61% | 66% | 63% | 59% | 62% | 61% | 53% |
| All-electric housing | 90% | 89% | 89% | 92% | 92% | 92% | 92% |
| Comfortable Air System | 69% | 73% | 71% | 68% | 77% | 73% | 67% |