

# Consolidated Financial Highlights

Years ended March 31	Millions of yen					Millions of U.S. dollars (Note 1)
	2008	2007	2006	2005	2004	2008
Net sales	<b>¥ 417,601</b>	¥ 385,284	¥ 375,072	¥ 354,874	¥ 332,149	<b>\$ 4,176</b>
Operating income	<b>48,130</b>	40,220	38,277	33,186	28,045	<b>481</b>
Net income	<b>25,554</b>	22,412	21,185	18,465	15,181	<b>255</b>
Capital expenditure	<b>42,720</b>	37,700	33,871	45,715	32,164	<b>427</b>
Depreciation and amortization	<b>31,485</b>	25,495	25,185	21,323	20,784	<b>314</b>
Gross cash flow	<b>57,040</b>	47,908	46,371	39,788	35,965	<b>570</b>
Total research and development expenses	<b>15,250</b>	13,021	14,068	13,873	13,683	<b>152</b>
Total assets	<b>490,365</b>	508,694	481,357	454,940	413,227	<b>4,903</b>
Total shareholders' equity (Note 3)	<b>—</b>	—	339,127	312,929	300,306	<b>—</b>
Total net assets (Note 3)	<b>344,833</b>	358,592	—	—	—	<b>3,448</b>
Amounts per share:	Yen					U.S. dollars (Note 1)
Net income:						
Primary	<b>¥ 72.15</b>	¥ 60.95	¥ 57.51	¥ 50.13	¥ 40.81	<b>\$ 0.72</b>
Fully diluted	<b>71.99</b>	60.80	57.41	50.12	—	<b>0.72</b>
Cash dividends applicable to period	<b>22.00</b>	18.50	15.00	12.00	10.00	<b>0.22</b>
Book value	<b>981.82</b>	967.80	922.65	852.26	817.57	<b>9.82</b>
Financial ratios:						
Equity ratio (%)	<b>69.7%</b>	70.0%	70.5%	68.8%	72.7%	
Return on equity (ROE) (%)	<b>7.3</b>	6.4	6.5	6.0	5.2	
Return on assets (ROA) (%) (Note 4)	<b>9.6</b>	8.1	8.2	7.6	6.7	
Payout ratio (%)	<b>30.5</b>	30.4	26.1	23.9	24.5	
Number of employees	<b>6,770</b>	6,812	6,842	6,919	6,760	

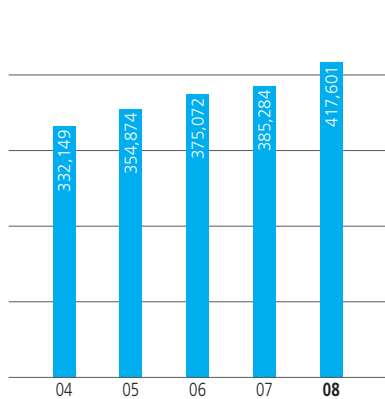
Notes: 1. The United States dollar amounts represent the translation of Japanese yen at the rate of ¥100=\$1.

2. Since the year ended March 31, 2003, the "Amounts per share" figures have been calculated in accordance with the Japanese Financial Accounting Standard "Accounting for Earnings per Share."

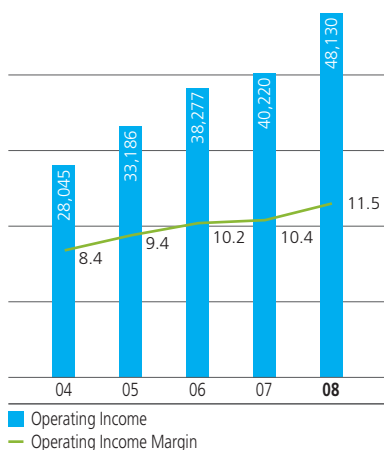
3. Since the year ended March 31, 2007, the balance sheet is divided into sections on assets, liabilities, and net assets in accordance with Accounting Standards Board of Japan "Accounting Standard for Presentation of Net Assets in the Balance sheet" and "Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet."

4. Return on assets=Operating income / Average total assets x 100 (%)

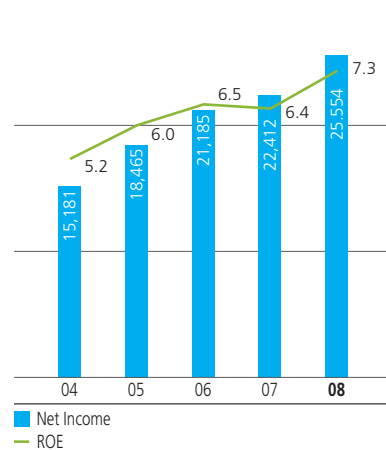
Net Sales ¥ Million



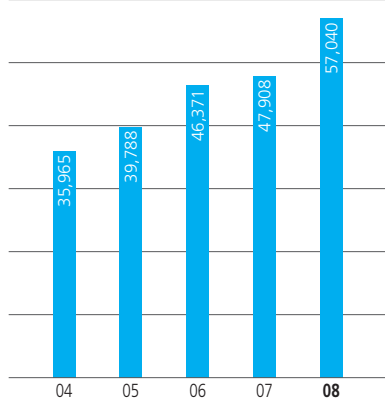
Operating Income & Operating Income Margin ¥ Million, %



Net Income & ROE ¥ Million, %

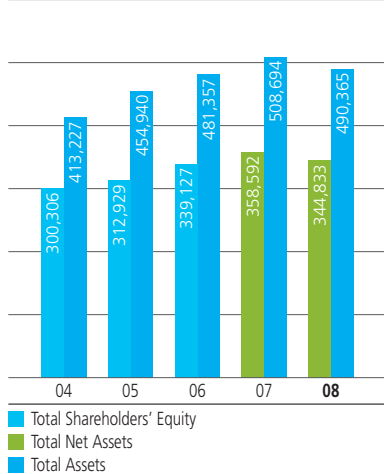


Gross Cash Flow ¥ Million

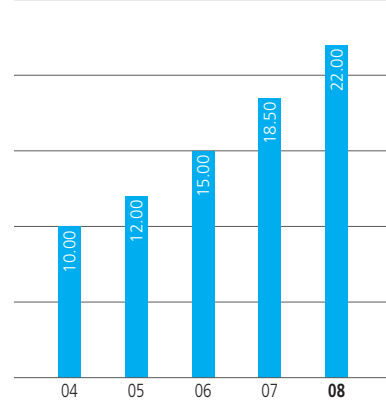


Gross Cash Flow=Net income + Depreciation and amortization

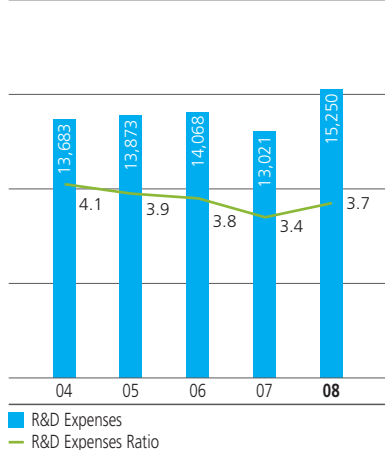
Total Shareholders' Equity, Total Net Assets & Total Assets ¥ Million



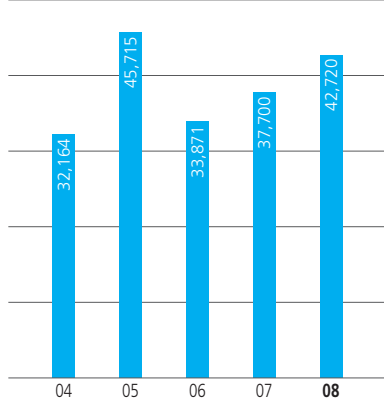
Cash Dividends per Share ¥



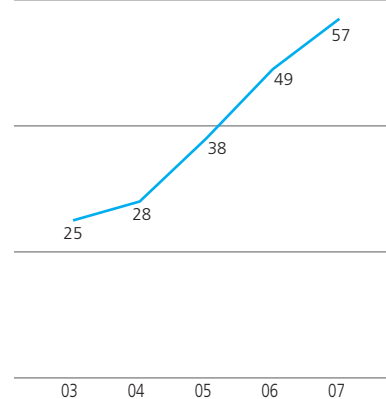
R&D Expenses & R&D Expenses Ratio ¥ Million, %



Capital Expenditure ¥ Million



The Domestic Naphtha ¥ Thousand/kl



\*Figures are track record (result) of Kuraray