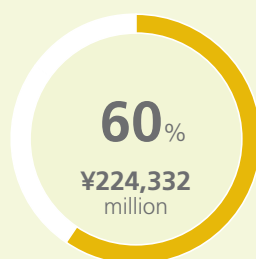


Business Segment

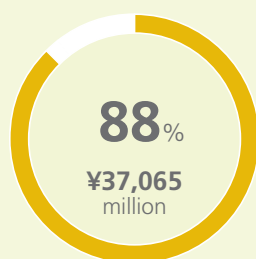
Results by Business Segment

Chemicals and Resins

Net Sales



Operating Income*



Sales and earnings decreased in the Chemicals and Resins Business. Optical-use poval film was affected by an inventory correction of LCD panels. Sales of Poval resins for processing fibers and textiles, processing paper, and polymerization agent of vinyl chloride resin have been sluggish in Asia since October 2008. For PVB film, the demand for interlayers for architectural glass remained favorable. In business of *EVVAL*, an EVOH resin, the sales for gasoline tank applications have significantly fallen and the demand for food packaging applications also declined. The sales volume of *SEPTON* thermoplastic elastomer decreased due to a drop in demand. Sales of specialty chemical remained sluggish. The business of methacrylic molding materials etc. saw a big drop in demand and more severe conditions since October 2008.

Fibers and Textiles

Net Sales



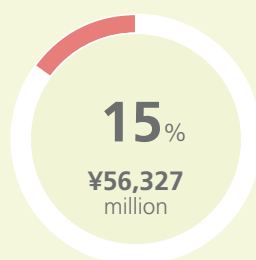
Operating Income*



The Fibers and Textiles Business recorded lower sales and earnings. The overseas demand for *KURALON* for FRC (Fiber Reinforced Cement) as an alternative to asbestos remained firm, however, the demand for automobile brake hoses remained sluggish. In *CLARINO* man-made leather business, the sales volume for shoe and other applications decreased, which forced us to make a production cutback. The demand for nonwoven fabrics and hook and loop fasteners remained favorable mainly in Japan, but sales have been affected by the slump in industrial material applications.

High-Performance Materials, Medical Products and Others

Net Sales



Operating Income*



The High-Performance Materials, Medical Products and Others Business recorded lower sales and earnings. Sales of dental materials expanded in the United States, Europe and other overseas regions, however, sales decreased as a result of the transfer of the dialysis business to Asahi Kasei Kuraray Medical Co., Ltd. The sales volume of *GENESTAR* heat-resistant polyamide resin significantly decreased due to a sharp drop in demand of mobile phones and personal computers. In the Water Purification Business, sales of activated carbon remained steady mostly with respect to domestic filtration plants.

* The figures for operating income exclude ¥13,044 million which was incurred from the elimination on consolidation and from corporate-wide expenses.

Major Products / Primary Applications



<< **POVAL, MOWIOL (PVA resin)**
Textiles, paper additives, adhesives,
PVB resin precursor



<< **PVA film**
Computers, LCD televisions, monitors



<< **MOWITAL (PVB resin)**
Coating compounds, inks, ceramic binders



<< **TROSIFOL (PVB film)**
Laminated safety glass



<< **EVAL resin (EVOH resin) /
EVAL film (EVOH film)**
Food packaging materials, plastic fuel tanks



<< **SEPTON, HYBRAR
(Thermoplastic elastomer)**
PVC and vulcanized rubber substitute,
food packaging materials



<< **Isoprene chemicals**
Pharmaceutical and agricultural
intermediates, vitamin precursor



<< **PARAPET (Methacrylic resin) /
Methacrylic sheets**
Resins for molding, light guides plates,
synthetic marble / Signboards, displays



<< **KURALON (PVA fiber) /
KURALON K-II (New type of PVA fiber)**
Agriculture and fishery materials, civil
engineering materials, Cement reinforcing
agents / woven and knitted textiles



<< **CLARINO, AMARETTA
(Man-made leather)**
Shoes, bags, sporting goods,
luxury clothing, interior furnishings



<< **KURAFLEX (Dry-laid nonwoven fabric) /
Melt-blown nonwoven fabric**
Wiping materials, wet wipes, surgical masks /
Coffee bags, filters



<< **VECTRAN (Polyarylate fiber)**
Rope, fishing nets,
and other industrial products



<< **MAGIC TAPE (Hook and loop fastener)**
Clothing, shoes, car seats



<< **Polyester staple / Polyester filament**
Materials for nonwoven fabrics and
industrial materials / Woven and knitted
textiles, tents, sheets



<< **GENESTAR
(Heat-resistant polyamide resin)**
Electronics parts, auto parts



<< **High-performance membranes /
PVA gel**
Water purification, wastewater treatment



<< **Dental materials**
Dental adhesives, dental filling materials



<< **KURARAY COAL (Activated carbon)**
Water purification facilities, gas separators,
capacitor materials