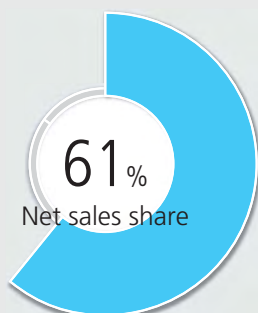


BUSINESS SEGMENT

RESULTS by SEGMENT

CHEMICALS and RESINS



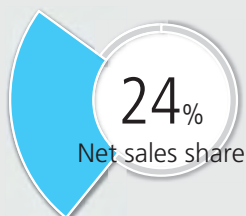
Net sales: ¥202,855 million
Operating income: ¥42,963 million

The Chemicals and Resins Business domestically produces poval resin and film, *EVAL* , isoprene, fine chemicals, methacrylic resin, resin finished products, and other goods for sale in Japan and abroad. The business also produces and sells *EVAL* resin and the thermoplastic elastomer *SEPTON* in the United States, poval resin, PVB resin and film, and *EVAL* resin in Europe, and poval resin in Asia. The business additionally produces and sells rubber and resin finished goods and other products.

The Chemicals and Resins Business recorded a solid recovery for all of its products in China and greater Asia in fiscal 2009. Sales results remained stagnant in the European and U.S. markets in the first half, but gradually started improving in the second half of the year.

By product segment, poval resin sales recovered in Asia, and optical-use poval film sales were firm. PVB film sales were slow to recover during the year, largely due to the impact from the sluggish conditions in the European construction market. Sales of *EVAL* , an EVOH resin, recovered in all regions, with particularly strong sales to the automobile industry in Asia. Isoprene-related product sales were solid.

FIBERS and TEXTILES

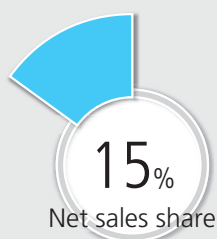


Net sales: ¥79,983 million
Operating loss: -¥1,736 million

The Fibers and Textiles Business produces and sells *KURALON* , *CLARINO* man-made leather, polyester, *KURAFLEX* non-woven fabrics, hook-and-loop fasteners, and other products.

The Fibers and Textiles Business struggled to garner sales in fiscal 2009 amid overall slow recovery in demand and particularly sluggish sales of *CLARINO* man-made leather and *VECTRAN* high-strength polyarylate fiber. Both businesses are currently undergoing structural reform, which is expected to favorably impact the FY2010 results for this segment.

HIGH-PERFORMANCE MATERIALS, MEDICAL PRODUCTS and OTHERS



Net sales: ¥50,042 million
Operating income: ¥4,238 million

The High-Performance Materials and Medical Products Business produces and sells *GENESTAR* heat-resistant polyamide resin, high-performance membranes, activated carbon, dental materials, and other medical products. The segment also includes the contributions of consolidated subsidiary *KURARAY ENGINEERING CO., LTD.* , which conducts plant design and construction activities.

Fiscal 2009 results for the High-Performance Materials, Medical Products and Others Business include a recovery in sales volume of dental materials in the medical products business. Sales of the *GENESTAR* heat-resistant polyamide resin reflected a moderate recovery in demand for electric and electronic material applications and growing demand for LED reflector applications. Sales were firm for the activated carbon business and other businesses.

Note: The Resin Company, Chemicals Company, and Fibers and Textiles Company were reorganized in April 2010, resulting in some differences in the business segments and each company's business structure compared with fiscal 2009 and previously.

MAJOR PRODUCTS / PRIMARY APPLICATION



<< **KURARAY POVAL, MOWIOL (PVA resin)**
Paper / fiber processing agents,
adhesives and others



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



<< **EVAL resin (EVOH resin) /
EVAL film (EVOH film)**
Food packaging, automobile tanks /
Vacuum insulation panel for fridge and others



<< **Isoprene chemicals**
Pharmaceutical and agrichemical
intermediates, ingredient for fragrances,
cosmetics



<< **PVA film**
LCD televisions,
mobile phone screens and others



<< **TROSIFOL (PVB film)**
Interlayers for laminated safety glass and
photovoltaic module encapsulation



<< **SEPTON, HYBRAR
(Thermoplastic elastomer)**
Substitute for rubber: Automobile parts,
electronic parts, stationary, toys,
sporting goods and others



<< **PARAPET (Methacrylic resin) /
Methacrylic sheets**
Light guide plates for LCDs,
automobile light covers, signboards,
construction material and others



<< **KURALON (PVA fiber) /
KURALON K-II (New type of PVA fiber)**
Reinforcing material for cement and
concrete and others



<< **KURAFLEX,
FELIBENDY (non-woven fabric)**
Everyday goods, industrial products
(wipers, automobile applications) and others



<< **MAGIC TAPE (Hook and loop fastener)**
Clothing, sporting goods,
industrial materials and others



<< **CLARINO (Man-made leather)**
Men's and women's shoes, bags,
athletic footwear and large inflatable sports balls



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



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



<< **GENESTAR
(Heat-resistant polyamide resin)**
Mobile phones, personal computers,
digital cameras, LCDs,
LED reflectors application and others



<< **Dental materials**
Materials for treating cavities



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



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