

For the Fiscal Year Ended March 31, 2013

Annual Select[®] 2013
Takiron Co., Ltd.

NORTH GATE BUILDING, 3-1-3, Umeda, Kita-ku, Osaka

(Securities Code: 4215)

+81-6-6453-3700

Contact us via email from the following website:

<http://www.takiron.co.jp/english/form/main.html>

Corporate Profile

*We provide solutions inspired by
boundless strengths and possibilities*

The corporate mission of Takiron is to make positive contributions using plastics technology to the global environment and society at large.

Takiron came into being in 1919 as a factory manufacturing celluloid.

From its foundation to the present day, Takiron has developed and released a wide variety of high-quality products based on its leading-edge plastics technologies, seeking to satisfy customer needs as they expand in line with the development of society and industry.

Takiron's fields of specialty continue to expand limitlessly into the 21st century. These fields, which all touch people's lives, range from building materials that enrich housing environments and high functional materials to support the advanced IT industry, to leading-edge medical materials essential for peoples' lives and health.

Here at Takiron, we continually strive to unerringly keep up with change in society. Further, we strive to be a company that, with plastics technology at its core, considers the provision of quality that satisfies customers to be its ultimate mission, and where each employee is able to preempt change and take timely decisions and actions.

Through these activities, we aim to contribute to society and the environment and find a place in people's hearts as a company they would like to continue into the future. We consider this to be the measure of Takiron's performance.

I. Summary of Selected Financial Data (Consolidated)

Year ended March 31,	114 th fiscal year 2009	115 th fiscal year 2010	116 th fiscal year 2011	117 th fiscal year 2012	118 th fiscal year 2013
Net sales (Millions of yen)	72,493	63,114	66,758	68,181	67,808
Ordinary income (Millions of yen)	385	2,580	4,051	4,344	4,827
Net income (loss) (Millions of yen)	(1,075)	1,193	2,480	1,950	3,395
Comprehensive income (Millions of yen)	–	–	2,348	1,998	3,805
Net assets (Millions of yen)	39,454	40,636	40,845	41,725	44,889
Total assets (Millions of yen)	82,159	77,852	76,775	78,610	77,977
Net assets per share (Yen)	503.77	522.92	550.66	572.82	616.38
Net income (loss) per share (Yen)	(14.52)	16.20	33.99	27.03	47.37
Diluted net income per share (Yen)	–	–	–	–	–
Equity ratio (%)	45.4	49.1	52.1	52.2	56.7
Return on equity (ROE) (%)	–	3.2	6.3	4.8	8.0
Price earnings ratio (PER) (Times)	–	17.1	10.2	11.2	7.3
Net cash provided by (used in) operating activities (Millions of yen)	4,490	4,357	7,530	3,275	6,632
Net cash provided by (used in) investing activities (Millions of yen)	(2,733)	(750)	(3,812)	(3,496)	(1,959)
Net cash provided by (used in) financing activities (Millions of yen)	(243)	(3,661)	(4,641)	(709)	(1,788)
Cash and cash equivalents at end of period (Millions of yen)	9,081	9,033	8,096	7,201	10,095
Number of employees [Separately, average number of temporary employees] (Persons)	1,993 [318]	1,730 [358]	1,716 [403]	1,665 [415]	1,670 [421]

- (Notes)
1. Net sales do not include consumption taxes.
 2. The number of employees shown denotes employees on duty.
 3. Return on equity and price earnings ratio for the 114th fiscal year are not presented since net loss was recorded for the term.
 4. Diluted net income per share for the 114th fiscal year is not presented since net loss was recorded although there were potential shares in the term.
 5. For the 115th and 116th fiscal years, diluted net income per share is not presented since there were no dilutive potential shares in those terms.
 6. For the 117th and 118th fiscal years, diluted net income per share is not presented since there were no potential shares in those terms.

II. Message from the President

In a rapidly developing modern society, technology across various industries advances on a daily basis. Also, in the plastics industry, great expectations have been placed on new functionalization by use of new materials. Since its founding as a celluloid manufacturer in 1919, Takiron has developed and released many high-quality products from its unique technological innovations based on leading-edge plastics technologies to satisfy a growing range of needs that has kept pace with the expansion of industrial trends.

The world at present has entered a period of economic and political turbulence due to uncertainty over future prospects. Corporate survival revolves first and foremost around the question of how best to respond appropriately to these environmental challenges and deliver a level of quality expected by customers.

In this context, and in order to sustain growth that is rooted in plastics technology for the twenty-first century and beyond, Takiron recognizes the importance of a workforce comprised of individual employees capable of anticipating changes and engaging in quick decision-making and taking action.

In addition, under circumstances where policies for “realization of a low-carbon society” have been demanded around the globe, we believe that the Takiron group’s original commercialized materials and technologies will lead to greater business opportunities in the future.

By taking these actions, Takiron continues to demonstrate its commitment to society and the environment as a good corporate citizen that is desired to continuously exist in the future.

We look forward to the opportunity to earn your continued loyalty and support.



Katsumori Hyodo
President

[Takiron’s Business Philosophy]

1. To continuously expand our business, keeping in mind the preservation of the global environment.
2. To contribute to the benefit of society with products of high quality and assure our customers of full satisfaction.
3. To anticipate social changes and meet future challenges.
4. To cultivate individuality and creativity by emphasizing the importance of our human resources.
5. To seek profits and distribute them fairly.

III. Business Progress and Results

In the fiscal year under review, there was a modest upturn in the Japanese economy as it continued to be supported by restoration demand in the wake of the Great East Japan Earthquake, but the economic environment remained adverse, with weak corporate production and capital investment activity, the continued appreciation of the yen and falling stock prices, as well as the largest trade deficit ever, due to the employment environment which is still struggling, prolonged deflation, and the impact of the fiscal problems in Europe as well as the dulling of economic growth in emerging countries. Meanwhile, the change of the administration at the end of the year led to expectations for bold monetary policy moves, and some bright signs have begun to emerge, including the correction of the yen's appreciation and a rise in stock prices.

Regarding the business environment surrounding the Takiron Group, there was firm new construction and renovation activity for self-contained dwellings, multi-family residences, as well as the non-housing field. Meanwhile, in civil engineering-related public investment, execution of restoration-related budgets was slow, so this area did not switch into full gear. Also, the environment of business targeting IT-related private-sector investment became more challenging due to the low level of capital investment by semiconductor manufacturers.

Against this background, in the first fiscal year of its three-year medium-term plan, based on its basic strategy which includes injecting management resources into growth fields, aggressively developing business in overseas markets, centered on Asia, promoting new business and new product development, further pursuing group management as well as strengthening group management, the Takiron Group executed specific measures such as creating an Overseas Business Promotion Department and consolidating group sites in the Tohoku region and the Chubu region. These efforts are part of Takiron's stance of devoting every last effort to expanding the business and increasing profitability.

As a result, in the fiscal year under review net sales decreased 0.6% year on year to ¥67,808 million, operating income increased 11.3% to ¥4,714 million, ordinary income increased 11.1% to ¥4,827 million, while net income jumped 74.1% to ¥3,395 million owing to recording of a gain on revision of retirement benefit plan of ¥927 million in extraordinary income.

Operating results by business segment are as follows.

Housing Environmental Materials Business

In the Housing Materials Department, for gutter systems and other housing materials there was only sluggish growth in sales to house makers and builders, but there was a slight year-on-year sales increase in drainage equipment due to the slight increase in the number of housing starts for self-contained dwellings. As a result, the department's sales were roughly on par with the previous fiscal year.

In the Natural Lighting Material Department, there was an increase in sales of large-size polycarbonate thermal insulation sheet Lume Carbo, and similar to the previous fiscal year, there were steady sales of polycarbonate corrugated sheets, flat sheets and processed products for energy-saving reforms of factories and warehouses for the natural lighting, as well as for housing, but sales fell slightly short of the previous fiscal year due to the decline in demand for large infrastructure projects.

In the Environmental and Engineering Department, the civil engineering business did not swing into full gear, but there was an increase in demand in the land consolidation project, so sales increased year on year.

With respect to the Engineering Department, in the field of FFT-S (a material for sewage pipe renewal), in the first half of the fiscal year there was an increase in demand for properties of ordinance designated cities

and railroads, but in the latter half of the fiscal year there was a nationwide slowdown in orders. In the water supply and sewerage field, in the latter half of the fiscal year the department's sales rose slightly compared to the previous fiscal year as there were steady deliveries for properties for which orders had already been received.

As a result, net sales of the Housing Environmental Materials Business increased 3.6% year on year to ¥36,591 million, and operating income increased 43.1% to ¥2,904 million.

Flooring Materials Business

Our high-value added flooring products including TAKISTLON and TAKISTEP contributed to progress in our Flooring Materials Business due to recovery in the market for building new condominiums and renovating existing condominiums.

As a result, net sales of the Flooring Materials Business increased 6.3% year on year to ¥9,838 million, and operating income rose 24.9% to ¥2,454 million.

High Functional Materials Business

Regarding the Plate Department, domestic semiconductor and liquid crystal device (LCD) sectors were sluggish due to the impact of the global delays in semiconductor and LCD-related capital investment and the appreciation of the yen. This contributed to a slump in demand for industrial plates such as FM plates (incombustible material) and static dissipative plastic plates, and sales fell year on year as a result. In the fourth quarter of the fiscal year, signs of an uptick in business emerged as there was an increase in orders from overseas.

In the Polycarbonate Department, although there was an increase in sales of products for optical uses, there was only sluggish growth in high-functional products for semiconductor-related equipment use and in general products mainly used for machine tools, and sales declined year on year.

As a result, net sales of the High Functional Materials Business decreased 9.6% year on year to ¥19,432 million, and operating loss was ¥398 million (compared to an operating income of ¥248 million in the previous fiscal year).

Medical Business

As to the Bone Fixation Devices, sales were steady in the cardiovascular surgery field, the neurosurgery field, and the sport orthopedics field, while sales in the orthopedic surgery field and the maxillofacial surgery field were weak.

As a result, net sales of the Medical Business decreased 7.6% year on year to ¥1,945 million, while operating loss was ¥247 million (compared to an operating loss of ¥7 million in the previous fiscal year).

Net Sales and Operating Income by Business Segment

(Millions of yen)

	Fiscal year ended March 2012		Fiscal year ended March 2013	
	Net sales	Operating income	Net sales	Operating income
Housing Environmental Materials Business	35,329	2,029	36,591	2,904
Flooring Materials Business	9,257	1,966	9,838	2,454
High Functional Materials Business	21,488	248	19,432	(398)
Medical Business	2,105	(7)	1,945	(247)
Total	68,181	4,236	67,808	4,714

IV. Corporate Governance

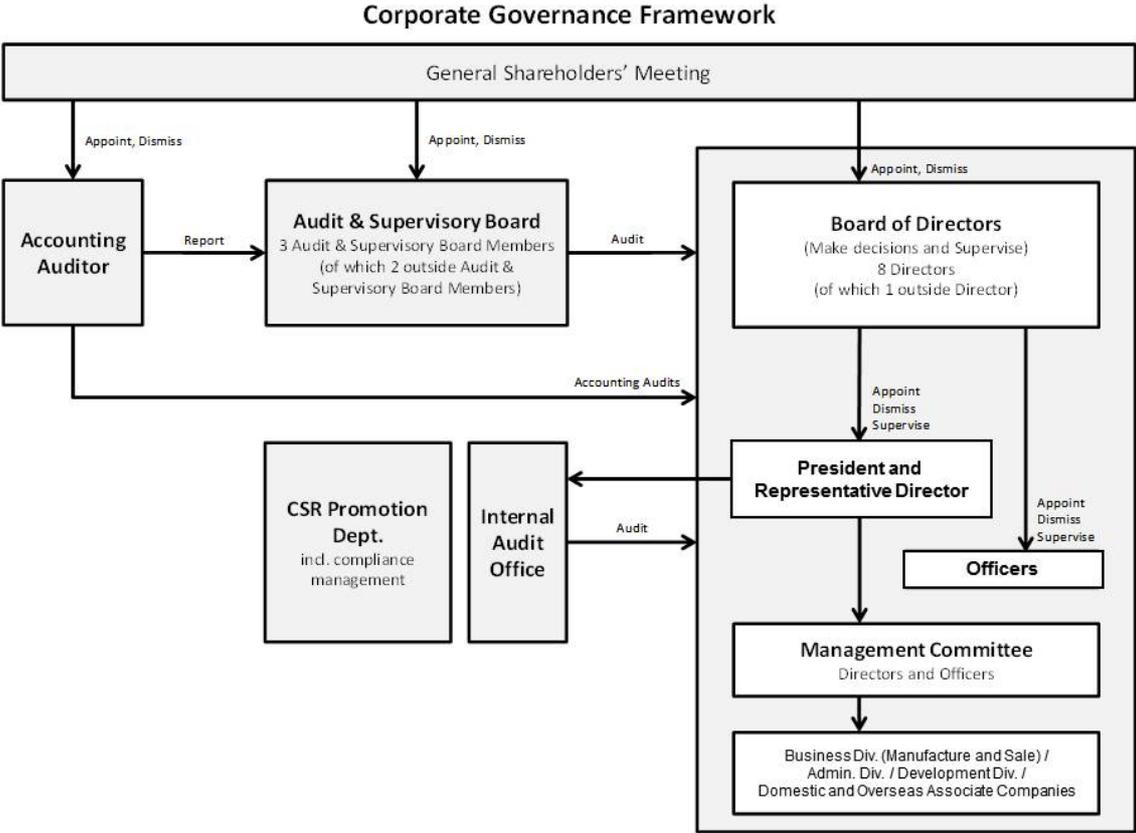
Basic Approach to Corporate Governance

The Company regards strengthening corporate governance as a management issue of primary importance in order to improve management efficiency and transparency, earn the trust of all stakeholders including shareholders, and continuously improve corporate value.

Reasons for Implementation of Corporate Governance Framework

The Company employs the corporate governance framework of a company with audit and supervisory board members. One of the directors is an outside director with specialist knowledge, experience and an independent perspective, in order to provide advice from an external viewpoint and enhance deliberations by the directors while also monitoring and supervising the execution of their duties. Alongside auditing with respect to legality by the audit and supervisory board members and the Audit & Supervisory Board, efforts are also made to strengthen governance.

The Company’s corporate governance framework is as shown in the diagram below.



V. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	7,209	10,111
Notes and accounts receivable—trade	25,917	24,958
Securities	20	9
Merchandise and finished goods	7,038	6,349
Work in process	2,636	2,272
Raw materials and supplies	1,639	1,594
Deferred tax assets	812	800
Other	1,007	1,005
Allowance for doubtful accounts	(160)	(168)
Total current assets	46,120	46,935
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	8,180	7,854
Machinery, equipment and vehicles, net	4,602	4,215
Land	10,073	10,065
Lease assets, net	348	275
Construction in progress	152	176
Other, net	700	646
Total property, plant and equipment	24,057	23,233
Intangible assets	762	568
Investments and other assets		
Investment securities	3,188	3,426
Deferred tax assets	3,287	2,805
Other	1,329	1,156
Allowance for doubtful accounts	(134)	(149)
Total investments and other assets	7,670	7,239
Total noncurrent assets	32,490	31,041
Total assets	78,610	77,977

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable—trade	14,061	12,717
Short-term loans payable	3,544	2,500
Current portion of long-term loans payable	—	1,000
Lease obligations	149	113
Accrued consumption taxes	203	364
Income taxes payable	1,348	1,224
Accrued expenses	786	606
Provision for bonuses	960	938
Provision for directors' bonuses	136	163
Notes payable—facilities	198	103
Other	1,951	1,618
Total current liabilities	23,341	21,351
Noncurrent liabilities		
Long-term loans payable	1,500	500
Lease obligations	206	167
Deferred tax liabilities	829	862
Provision for retirement benefits	9,941	8,969
Provision for directors' retirement benefits	191	189
Asset retirement obligations	202	203
Other	672	844
Total noncurrent liabilities	13,544	11,735
Total liabilities	36,885	33,087
Net assets		
Shareholders' equity		
Capital stock	15,189	15,189
Capital surplus	14,667	14,667
Retained earnings	13,007	15,767
Treasury stock	(2,011)	(2,013)
Total shareholders' equity	40,851	43,610
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	288	629
Foreign currency translation adjustment	(81)	(62)
Total accumulated other comprehensive income	207	567
Minority interests	666	711
Total net assets	41,725	44,889
Total liabilities and net assets	78,610	77,977

**(2) Consolidated Statements of Income and
Consolidated Statements of Comprehensive Income**

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net sales	68,181	67,808
Cost of sales	45,492	45,105
Gross profit	22,688	22,703
Selling, general and administrative expenses		
Transportation and warehousing expenses	4,004	4,109
Personal expenses	6,821	6,554
Provision for bonuses	504	449
Retirement benefit expenses	682	588
Provision for directors' bonuses	136	163
Provision for directors' retirement benefits	52	48
Depreciation	552	504
Provision of allowance for doubtful accounts	(30)	31
Research and development expenses	827	826
Amortization of goodwill	144	121
Other expenses	4,755	4,592
Total selling, general and administrative expenses	18,452	17,988
Operating income	4,236	4,714
Non-operating income		
Interest income	3	5
Dividends income	78	81
Equity in earnings of affiliates	33	30
Miscellaneous income	185	134
Total non-operating income	301	251
Non-operating expenses		
Interest expenses	65	55
Sales discounts	50	52
Loss on disposal of inventories	31	–
Foreign exchange losses	2	–
Miscellaneous expenses	43	29
Total non-operating expenses	193	137
Ordinary income	4,344	4,827
Extraordinary income		
Gain on sales of investment securities	–	17
Subsidy income	21	–
Insurance income	36	–
Gain on revision of retirement benefit plan	–	927
Other	0	–
Total extraordinary income	58	944

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Extraordinary loss		
Loss on disposal of noncurrent assets	118	43
Loss on sales of investment securities	–	33
Loss on valuation of investment securities	33	–
Impairment loss	16	20
Loss on disaster	71	–
Office transfer expenses	61	–
Total extraordinary losses	301	98
Income before income taxes and minority interests	4,101	5,673
Income taxes—current	1,840	1,883
Income taxes—deferred	245	351
Total income taxes	2,085	2,234
Income before minority interests	2,016	3,439
Minority interests in income	65	43
Net income	1,950	3,395

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Income before minority interests	2,016	3,439
Other comprehensive income		
Valuation difference on available-for-sale securities	(8)	343
Foreign currency translation adjustment	(5)	15
Share of other comprehensive income of associates accounted for using equity method	(4)	7
Total other comprehensive income	(17)	366
Comprehensive income	1,998	3,805
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	1,930	3,755
Comprehensive income attributable to minority interests	67	49

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	15,189	15,189
Changes of items during the period		
Total changes of items during the period	–	–
Balance at the end of current period	15,189	15,189
Capital surplus		
Balance at the beginning of current period	14,667	14,667
Changes of items during the period		
Disposal of treasury stock	(0)	–
Total changes of items during the period	(0)	–
Balance at the end of current period	14,667	14,667
Retained earnings		
Balance at the beginning of current period	11,671	13,007
Changes of items during the period		
Dividends from surplus	(652)	(573)
Net income	1,950	3,395
Change of scope of consolidation	37	–
Change of scope of equity method	–	(61)
Total changes of items during the period	1,335	2,760
Balance at the end of current period	13,007	15,767
Treasury stock		
Balance at the beginning of current period	(1,731)	(2,011)
Changes of items during the period		
Purchase of treasury stock	(281)	(1)
Disposal of treasury stock	0	–
Total changes of items during the period	(280)	(1)
Balance at the end of current period	(2,011)	(2,013)
Total shareholders' equity		
Balance at the beginning of current period	39,796	40,851
Changes of items during the period		
Dividends from surplus	(652)	(573)
Net income	1,950	3,395
Purchase of treasury stock	(281)	(1)
Disposal of treasury stock	0	–
Change of scope of consolidation	37	–
Change of scope of equity method	–	(61)
Total changes of items during the period	1,055	2,759
Balance at the end of current period	40,851	43,610

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	300	288
Changes of items during the period		
Net changes of items other than shareholders' equity	(12)	341
Total changes of items during the period	(12)	341
Balance at the end of current period	288	629
Foreign currency translation adjustment		
Balance at the beginning of current period	(73)	(81)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7)	18
Total changes of items during the period	(7)	18
Balance at the end of current period	(81)	(62)
Total accumulated other comprehensive income		
Balance at the beginning of current period	227	207
Changes of items during the period		
Net changes of items other than shareholders' equity	(20)	360
Total changes of items during the period	(20)	360
Balance at the end of current period	207	567
Minority interests		
Balance at the beginning of current period	821	666
Changes of items during the period		
Net changes of items other than shareholders' equity	(155)	45
Total changes of items during the period	(155)	45
Balance at the end of current period	666	711
Total net assets		
Balance at the beginning of current period	40,845	41,725
Changes of items during the period		
Dividends from surplus	(652)	(573)
Net income	1,950	3,395
Purchase of treasury stock	(281)	(1)
Disposal of treasury stock	0	–
Change of scope of consolidation	37	–
Change of scope of equity method	–	(61)
Net changes of items other than shareholders' equity	(175)	405
Total changes of items during the period	879	3,164
Balance at the end of current period	41,725	44,889

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	4,101	5,673
Depreciation and amortization	3,279	2,957
Impairment loss	16	20
Amortization of goodwill	119	106
Increase (decrease) in provision for bonuses	58	(21)
Increase (decrease) in provision for directors' bonuses	(10)	27
Increase (decrease) in provision for retirement benefits	(122)	(973)
Increase (decrease) in provision for directors' retirement benefits	(2)	(2)
Increase (decrease) in allowance for doubtful accounts	(90)	21
Interest and dividends income	(82)	(86)
Interest expenses	65	55
Foreign exchange losses (gains)	2	(24)
Equity in (earnings) losses of affiliates	(33)	(30)
Loss (gain) on sales of investment securities	–	16
Loss (gain) on disposal of noncurrent assets	91	43
Subsidy income	(21)	–
Loss (gain) on valuation of investment securities	33	–
Decrease (increase) in notes and accounts receivable—trade	(2,926)	928
Decrease (increase) in inventories	(878)	1,118
Increase (decrease) in notes and accounts payable—trade	668	(1,349)
Increase (decrease) in accounts payable—other	(29)	(119)
Other, net	530	156
Subtotal	4,770	8,518
Interest and dividends income received	75	96
Interest expenses paid	(63)	(63)
Proceeds from subsidy income	57	23
Income taxes paid	(1,564)	(1,944)
Net cash provided by (used in) operating activities	3,275	6,632
Net cash provided by (used in) investing activities		
Payments into time deposits	(0)	(10)
Proceeds from withdrawal of time deposits	0	2
Purchase of property, plant and equipment	(3,297)	(2,057)
Purchase of intangible assets	(187)	(79)
Purchase of investment securities	(86)	(22)
Proceeds from sales of investment securities	–	256
Decrease (increase) in other investments	(9)	(7)
Proceeds from maturity of insurance funds	24	–
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	88	–

(Millions of yen)

	Fiscal year ended March 31, 2012	Fiscal year ended March 31, 2013
Payments of loans receivable	(54)	(20)
Collection of loans receivable	30	21
Other, net	(5)	(41)
Net cash provided by (used in) investing activities	(3,496)	(1,959)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	510	(1,050)
Proceeds from long-term loans payable	500	–
Repayment of long-term loans payable	(600)	–
Repayments of lease obligations	(183)	(159)
Purchase of treasury stock	(281)	(1)
Cash dividends paid	(651)	(573)
Cash dividends paid to minority shareholders	(3)	(4)
Other, net	0	–
Net cash provided by (used in) financing activities	(709)	(1,788)
Effect of exchange rate change on cash and cash equivalents	(4)	9
Net increase (decrease) in cash and cash equivalents	(934)	2,893
Cash and cash equivalents at beginning of period	8,096	7,201
Increase in cash and cash equivalents from newly consolidated subsidiary	39	–
Cash and cash equivalents at end of period	7,201	10,095

VI. Company Information

Company Information (as of March 31, 2013)

Trade name:	Takiron Co., Ltd.
Date of establishment:	December 1935
Listing date:	October 1961
Business year:	From April 1 to March 31
Paid-in capital:	15,189 million yen
Number of employees:	2,091 (including 421 temporary employees; on a consolidated basis)
Head office:	NORTH GATE BUILDING, 3-1-3, Umeda, Kita-ku, Osaka, 530-0001 Japan
Telephone:	+81-6-6453-3700
Consolidated subsidiaries and equity-method affiliates:	Takiron Matex Co., Ltd. Sanwa Signworks Co., Ltd. Rontec Co., Ltd. Takiron Engineering Co., Ltd. Takiron Protech Co., Ltd. Takiron-Rowland Co., Ltd. Takiron Service Co., Ltd. Dailite Co., Ltd. Takiron Polymer Co., Ltd. Takiron KC Home Improvement Co., Ltd. Dainippon Plastics Co., Ltd. Shanghai Takiron Plastics Co., Ltd. PT. TAKIRON INDONESIA Other 9 companies

Directors and Audit & Supervisory Board Members (as of June 26, 2013)

President and Representative Director	Katsumori Hyodo
Executive Vice President and Representative Director	Yosuke Minamitani
Director, Senior Executive Officer	Masayoshi Kanao
Director, Executive Officer	Mitsuo Murata
Director, Executive Officer	Yoshikuni Kobayashi
Director, Officer	Tomomi Umeda
Director, Officer	Hideharu Iwasaki
Director*	Hiroshi Kawamura
Audit & Supervisory Board Member**	Ryunosuke Onitsuka
Audit & Supervisory Board Member	Takeshi Aoyama
Audit & Supervisory Board Member**	Michichika Suzuki
Executive Officer	Masatoshi Torimoto
Officer	Nobuyuki Kaburagi
Officer	Kazuhisa Tanaka
Officer	Makoto Ihira
Officer	Yutaka Takeda

* Outside Director ** Outside Audit & Supervisory Board Member

Stock Status (as of March 31, 2013)

Total number of authorized shares:	178,008,000 shares
Total number of issued shares:	78,698,816 shares
Number of shareholders (excluding shareholders holding shares less than one unit (1,000 shares)):	5,692

Major shareholders (Top 10)

Shareholder name	Number of shares held (Thousands)	Share-holding ratio to number of issued shares (%)
ITOCHU Corporation	20,264	25.75
Takiron Kyowa-Kai	4,933	6.27
Nippon Life Insurance Company	1,730	2.20
Sekisui Jushi Corporation	1,439	1.83
Japan Trustee Services Bank, Ltd. [trust fund]	1,405	1.79
Kaneka Corporation	1,318	1.67
The Master Trust Bank of Japan, Ltd. [trust fund]	1,245	1.58
CBNY-DFA Intl Small Cap Value Portfolio (Standing proxy: Citibank Japan Ltd.)	1,090	1.39
Tosoh Corporation	1,070	1.36
KUREHA CORPORATION	1,009	1.28

(Notes) 1. Of the shares held above, the number of shares related to trust business is as follows:

Japan Trustee Services Bank, Ltd. [trust fund]	1,405 thousand shares
The Master Trust Bank of Japan, Ltd. [trust fund]	1,245 thousand shares

2. Treasury shares of 7,025 thousand shares (share-holding ratio of 8.93%) are excluded from the table above.

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