Financial Report for Fiscal Year ended March 31, 2013 [Japanese GAAP] (Consolidated)

May 14, 2013

Company name: Unitika Ltd.
Code number: 3103
URL: http://www.unitika.co.jp/e/home.htm
Listed stock exchange: Tokyo Stock Exchange, Osaka Securities Exchange

Representative: Kenji Yasue, President and Chief Executive Officer
Contact: Shoji Ishikawa, General Manager of Accounting Department TEL +81-6-6281-5721
Expected date for holding a regular shareholders meeting: June 27, 2013
Expected date for submitting securities report: June 27, 2013
Expected commencement date for paying dividend
Preparation of the attachment of Financial Report: Yes
Holding of a results presentation: Yes (for securities analysts and institutional investors)

(Figures less than one million yen were omitted.)

1. Consolidated performance for fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Consolidated business results (Percentages represent changes from same period in previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2013	160,190	(8.3)	5,519	(42.4)	3,853	(33.0)	(10,875)	—
FY ended March 31, 2012	174,662	(3.3)	9,579	(8.9)	5,753	(6.0)	1,297	(46.9)

(Note) Comprehensive income FY ended March 31, 2013:(10,841) million yen [—%]
FY ended March 31, 2012: 1,205 million yen [(51.0%)]

	Net income per share	Net income per share after full dilution	Return on equity	Return on asset	Ratio of operating income to sales
	Yen	Yen	%	%	%
FY ended March 31, 2013	(18.87)	—	(47.0)	1.5	3.4
FY ended March 31, 2012	2.35	2.28	5.1	2.1	5.5

(Reference) Equity in earnings/losses of affiliates FY ended March 31, 2013: (38 million yen)
FY ended March 31, 2012: (224 million yen)

(2) Consolidated financial situation

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY ended March 31, 2013	255,054	21,317	7.0	30.88
FY ended March 31, 2012	268,486	32,207	10.6	49.81

(Reference) Shareholders' equity: FY ended March 31, 2013: 17,809 million yen
FY ended March 31, 2012: 28,511 million yen

(3) Consolidated cash flows situation

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Balance of cash and cash equivalents at period end
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended March 31, 2013	16,040	(4,404)	(7,432)	19,636
FY ended March 31, 2012	10,798	(7,449)	(4,393)	15,339

2. Dividend payment

	Annual dividend per share					Annual dividends paid (Total)	Dividend payout ratio (consolidated)	Dividend ratio of net assets (consolidated)
	End of Q1	End of Q2	End of Q3	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY ended March 31, 2012	—	0.00	—	0.00	0.00	—	—	—
FY ended March 31, 2013	—	0.00	—	0.00	0.00	—	—	—
FY ending March 31, 2014 (forecast)	—	0.00	—	0.00	0.00		—	

3. Forecast of consolidated performance for fiscal year ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(Percentages represent changes from same period in previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First six-month period	77,500	1.8	2,800	20.8	1,200	145.9	200	—	0.35
Full year	165,000	3.0	7,500	35.9	4,000	3.8	2,000	—	3.47

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying change of scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(i) Changes in accounting policies due to revisions of accounting standards: No

(ii) Changes of accounting policies other than the above: No

(iii) Changes in accounting estimates: No

(iv) Retrospective restatement: No

(3) Number of shares outstanding (Common stock)

(i) Number of shares outstanding at end of period (including treasury stock):

Fiscal year ended March 31, 2013: 577,523,433 shares

Fiscal year ended March 31, 2012: 572,960,324 shares

(ii) Number of treasury stocks at end of period

Fiscal year ended March 31, 2013: 766,802 shares

Fiscal year ended March 31, 2012: 570,138 shares

(iii) Average number of shares outstanding during the term

Fiscal year ended March 31, 2013: 576,460,782 shares

Fiscal year ended March 31, 2012: 552,192,961 shares

(Reference) Summary of non-consolidated performance

1. Non-consolidated performance for fiscal year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Non-consolidated business results (Percentages represent changes from same period in previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended March 31, 2013	91,976	(6.3)	3,891	(50.0)	1,926	(60.8)	(8,804)	—
FY ended March 31, 2012	98,159	(4.4)	7,774	(21.2)	4,911	(22.8)	286	(92.0)

	Net income per share	Net income per share after full dilution
	Yen	Yen
FY ended March 31, 2013	(15.27)	—
FY ended March 31, 2012	0.52	0.50

(2) Non-consolidated financial situation

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY ended March 31, 2013	217,473	22,474	10.3	38.97
FY ended March 31, 2012	224,739	31,187	13.9	54.49

(Reference) Shareholders' equity: FY ended March 31, 2013: 22,474 million yen
FY ended March 31, 2012: 31,187 million yen

* Presentation of situation of audit procedures

This financial report is not subject to audit procedures under the Financial Instruments and Exchange Law of Japan. Audit procedures concerning financial statements have not been completed at the date of disclosure of this financial report.

* Explanation on appropriate use of forecasts of performance and other special items

The forward-looking statements in this document concerning forecasting of performance etc. are based on currently available information and assumptions considered by the company to be reasonable. Such statements are neither promises nor guarantees of future performance. The actual performance may be significantly different from forecasts due to various factors. Concerning assumptions used as a basis for forecasting performance and precautionary statements when using the forecast of performance, please refer to *1. Analysis of business results and financial situation (1) Analysis of Business results: Forecast of business performance for fiscal year ending March 31, 2014* on page 3 of the Financial Report (the attachment).

1. Analysis of business results and financial situation

(1) Analysis of Business results

(i) Business results for fiscal year ended March 31, 2013

In the current fiscal year, reconstruction demand following the Great East Japan Earthquake, as well as correction of the appreciation of the yen and a stock market rally after the change of government raised expectations for economic recovery in Japan. However, the outlook for the Japanese economy remained uncertain, because exports were sluggish due to the lingering European sovereign debt crisis, the economic slowdown in emerging countries and deteriorating Japan-China relations; consumer spending was weak; and the employment situation did not improve.

In such an environment, the Unitika Group tried to strengthen its business foundation as an advanced materials manufacturer, mainly Polymers, and implemented measures to improve the profitability of low profit margin businesses in accordance with policies under its medium-term, three-year management plan, Change & Challenge 2014, which started this fiscal year. Despite such efforts, the Group saw its earnings decrease substantially, due to soaring raw material and fuel prices associated with the sharp depreciation of the yen against the U.S. dollar at the beginning of the year and a decline in sales volume. As a result, the Unitika Group reported net sales of 160,190 million yen (down 14,472 million yen year-on-year), operating income of 5,519 million yen (down 4,060 million yen year-on-year) and ordinary income of 3,853 million yen (down 1,900 million yen year-on-year). Because the Group recorded extraordinary loss, such as impairment loss and business structure improvement expenses; and income taxes increased due to a reversal of deferred tax assets, the net loss amounted to 10,875 million yen (net income of 1,297 million yen in the previous year).

The Unitika Group has decided it will pay no dividend for the current fiscal year. The management sincerely appreciates your understanding in this matter.

Here is a summary of business by segment.

[Polymers]

In the Films business, sales to the packaging sector decreased, because demand did not increase on a full scale in spite of a gradual recovery from inventory adjustment following brisk sales after the March 11, 2011 earthquake. Meanwhile, sales to the industrial sector also declined, because demand from information terminal device applications, which recovered despite overall demand for polyester films being sluggish, lost momentum in the second half of the current fiscal year. As a result, sales and income fell in the Films business as a whole.

In the Resins business, shipments of nylon for the automobile sector temporarily declined after the end of the government’s subsidy program for eco-friendly cars, but overall demand remained solid. Shipments of polyester resins for the electric and electronics equipment sectors were weak, but shipments of an environmentally friendly water-based polyolefin cationic emulsion for new applications increased. Meanwhile, shipments grew for U-Polymer, Unitika’s original polyarylate resin for new applications including information terminal device applications, but shipments for electric and electronics equipment and office machinery applications remained flat. As a result, overall sales and income decreased in the Resins business.

In the Non-woven Fabrics business, sales of polyester spunbond fabrics declined, because shipments for sanitary materials, agriculture and general-use material applications were sluggish and exports also stagnated despite increasing shipments for carpets and construction and civil engineering applications. Meanwhile, sales of cotton spunlace decreased, because shipments for wet sheet applications, which had continued to steadily increase until the previous fiscal year, fell due to inventory adjustment, though shipments for other applications increased. As a result, overall sales and income decreased in the Non-woven Fabrics business.

The Group strongly promoted the use of the biomass plastic Terramac in four fields: films, resins, non-woven fabrics and textiles. Although demand from automobile applications was on a recovery path, total shipments stagnated due to weak market conditions.

Consequently, the Polymers business posted operating income of 6,989 million yen (down 2,625 million yen year-on-year) on net sales of 61,217 million yen (down 6,077 million yen year-on-year).

[Advanced Materials]

In the glass fiber business, sales remained flat, because shipments for other applications stagnated despite steady shipments for building and civil engineering refurbishment applications. Sales of IC cloth struggled in the field of electronics materials due to intensifying competition, but profitability slightly improved because of our efforts to raise the percentage of sales of information terminal device applications to total sales. In the glass beads business, shipments for industrial use, mainly high-margin products, decreased due to weak market conditions including electronics components, while those for road marking applications and reflective materials applications, such as signs and protective clothing, also remained flat. Meanwhile, shipments of activated carbon fiber for water purifier applications were strong, but the recovery of demand from wastewater treatment and VOC removal sheet applications was slow.

Consequently, the Advanced Materials business posted operating income of 1,163 million yen (down 568 million yen year-on-year) on net sales of 14,081 million yen (down 938 million yen year-on-year).

[Fibers and Textiles]

In the Industrial Materials business, shipments of ultra-high strength polyester filament yarn for mainstay construction and civil engineering applications remained flat due to lingering sluggish demand. Intensifying price competition in Japan cut into the profit of the short-fiber polyester business despite some improvement in its profit margin because of the depreciation of the yen against the U.S. dollar from the beginning of 2013. In addition, the Group tried to expand sales of vinylon fiber by cultivating new customers in emerging countries, while there was no sign of improvement in demand from reinforced concrete applications, a replacement for asbestos, in Europe. Due to accelerating price competition and a change in product mix, profitability deteriorated.

In the Garments, Lifestyle Materials, and Bedding business, demand for white coats and service uniforms remained strong in the uniform field. Sales of high-value added products, which are designed to meet diversified needs, were robust in the sporting clothing field, while profitability improved in the women's clothing field because our selection and concentration strategy paid off. Meanwhile, some subsidiaries saw their sales decrease due to weak market conditions.

Consequently, the Fibers and Textiles business posted operating loss of 370 million yen (operating income of 744 million yen in the previous year) on net sales of 67,714 million yen (down 8,986 million yen year-on-year).

[Others]

In the Healthcare & Amenity business, sales of health food, such as Hanabiratake-related goods, were steady, supported by solid demand. However, domestic sales and exports of other functional dietary materials, except food ingredients containing lactobionic acid and L-arabinose that sold well, remained flat. In the Medical business, sales increased in the medical product field because of a rise in sales of catheters for drainage purposes and the launch of a new product in mainstay catheters for the treatment of circulatory system diseases. In the biochemical field, sales of clinical diagnostic reagents were solid, but sales of enzymes struggled due to weak market conditions in Japan.

In the Real Estate business, revenue from the sales of condominiums grew due to steady sales of properties that were completed in the second half of the current fiscal year.

Consequently, the Others category posted operating income of 1,324 million yen (up 572 million yen year-on-year) on net sales of 17,177 million yen (up 1,530 million yen year-on-year).

(ii) Forecast of business performance for fiscal year ending March 31, 2014

With the prospects for recovery in the main street economy in the next fiscal year remaining uncertain, the Unitika Group will promote the growth strategy of the Polymers business, etc., thoroughly reduce costs including fixed costs, implement measures to improve the profitability of low-profit businesses and revise sales prices to pass any sharp rises in raw material and fuel prices to customers, with the aim of strengthening its balance sheet and enhancing shareholders' equity. The Group forecasts net sales of 165,000 million yen, operating income of 7,500 million yen, ordinary income of 4,000 million yen, and net income of 2,000 million yen for the fiscal year ending March 31, 2014.

(2) Analysis on financial situation

Total assets decreased by 13,432 million yen from the end of the previous fiscal year to 255,054 million yen, mainly due to a decrease in inventories and property, and plant and equipment. Liabilities decreased by 2,541 million yen from the end of the previous fiscal year to 233,736 million yen, mainly due to a decrease in loans payable. Net assets decreased by 10,890 million yen from the end of the previous fiscal year to 21,317 million yen, mainly due to a decrease in retained earnings because of a net loss.

Here is a summary of the cash flow situation.

(Net cash provided by [used in] operating activities)
Net cash increase provided by operating activities amounted to 16,040 million yen (up 5,242 million yen year-on-year), due to a decrease in cash inflow—the total of the loss before income taxes, depreciation and amortization—and inventories during the current fiscal year, though we posted loss before income taxes.

(Net cash provided by [used in] investment activities)
Net cash used in investment activities amounted to 4,404 million yen loss (net cash loss of 7,449 million yen in the previous fiscal year) due to capital expenditures of 5,801 million yen during the current fiscal year.

(Net cash provided by [used in] financing activities)
Net cash used in financing activities amounted to 7,432 million yen loss (net cash loss of 4,393 million yen in the previous fiscal year) due to a reduction in interest-bearing debt during the current fiscal year.

As a result, cash and cash equivalents at the end of the current fiscal year increased by 4,296 million yen from the end of the previous fiscal year to 19,636 million yen.

The table below shows trends in cash flow indicators.

	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
(i) Shareholders' equity ratio (%)	7.0	10.6	8.3
(ii) Shareholders' equity ratio on market value basis (%)	11.5	11.1	11.9
(iii) Ratio of interest-bearing debt to cash flow	10.6	16.3	17.8
(iv) Interest coverage ratio	5.4	3.3	3.0

(Notes) Shareholders' equity ratio: Shareholders' equity/Total assets
Shareholders' equity ratio on market value basis: Market capitalization/Total assets
Ratio of interest-bearing debt to cash flow: Interest-bearing debt/Cash flow
Interest coverage ratio: Cash flow/Interest expense
*1. Each indicator is calculated based on consolidated financial results.
*2. Cash flow is net cash provided by operating activities.
*3. Interest-bearing debt includes all liabilities, reported on the consolidated balance sheet, on which interest is paid.

(3) Basic policy for profit distribution and dividends for the fiscal year ended March 31, 2013 and the fiscal year ending March 31, 2014

The Unitika Group considers that the profit distribution to its shareholders is an important aspect of its business, but management intends to cancel dividend payment for the fiscal year ended March 31, 2013, with consideration on the business results and financial situation at the end of the fiscal year.

For the future, Unitika's basic dividend policy is to conduct profit distribution to shareholders that is appropriate to the Company's financial results. At the same time, the Company intends to decide dividend payment after considering the improvement of financial position and enhancing of internal reserve for securing profit for shareholders from a long-term perspective.

(4) Critical events etc., regarding the assumption of a going concern

The Unitika Group's shareholders' equity amounted to 18,663 million yen in the current consolidated fiscal year, because it posted a net loss of 10,875 million yen for the current consolidated fiscal year. Consequently, the Group was in violation of restrictive financial covenants (criteria for shareholders' equity on the last day of the fiscal year or the second quarter of the fiscal year) on some of the long-term loans (outstanding balance of 4,600 million yen at the end of the current consolidated fiscal year). The Unitika Group negotiated with financial institutions with whom it had concluded loan agreements to refrain from exercising the right to claim acceleration of the loan maturity at the end of the current consolidated fiscal year.

Management does not consider that there will be critical uncertainties regarding the assumption of a going concern, since consolidated cash flows provided by operating activities amounted to 16,040 million yen, up 5,242 million yen year-on-year, due to reduction of inventories. As a result, cash position (cash and deposits) at the end of the current consolidated fiscal year totaled 19,668 million yen, up 4,307 million yen from the end of the previous consolidated fiscal year.

In order to bring about a radical change in earnings, the Unitika Group will promote the revamping of its business structure and the reduction of fixed costs. The Group also will concentrate its resources on growth areas, mainly the polymers and advanced materials fields, and promote a growth strategy for improving and strengthening its organic growth to turn around its business performance.

2. Management Policies

(1) Basic management policies

Having the corporate mission of contributing to society by connecting daily life with technology, the Unitika Group has been aiming to become a company that contributes to the improvement of people's lives and preservation of the environment, and social recognition. Management believes that the Group's contributions to society will enhance its corporate value, which in turn will reward shareholders, while the Company continues to promote its basic management policies: implementation of structural reform, establishment of a foundation as a functional materials manufacturer and strengthening of its corporate structure and shareholders' equity.

(2) Targeted management index

The Unitika Group places greater importance on amount of sales, operating income and ordinary income that represent the results of its business activities. The Group considers enhancing its shareholders' equity ratio and reducing interest-bearing debts to strengthen its financial position and places emphasis on and manages cash flows with great care.

(3) Medium- to long-term business strategies and issues to be addressed

In light of very poor business performance for the current fiscal year, the first year of Change & Challenge 2014, its medium-term, three-year management plan, the Unitika Group has reaffirmed its determination to promote the growth strategy of the Polymers business, etc., thoroughly reduce costs including fixed costs, review and implement measures to improve the profitability of low-profit businesses and revise sales prices to pass on a sharp rise in raw material and fuel prices to customers. The Group will raise the level of its revenue base and establish a solid business foundation by steadily implementing these measures.

Here is a summary of the strategies and issues to be addressed for each business.

Polymers:
In the Films business, the Unitika Group will revise its sales prices to reflect a change in raw material prices in the packaging field. In addition, P.T. EMBLEM ASIA, a subsidiary in Indonesia, will start operation of advanced, large-scale equipment for producing nylon film in summer 2013. Furthermore, in cooperation with UNITIKA EMBLEM CHINA, the Group will try to increase its market share in the fast-growing Asian market, promote its product differentiation strategy in the Chinese market and expand sales in the European and North American markets. The Unitika Group will step up efforts to expand sales of newly developed products and cultivate new applications through improvement of product quality in the industrial field. In the Resins business, the Group will further focus on expanding the use of *XecoT*, an environmentally friendly high heat-resistant polyamide resin, in automobile, and electrical and electronics equipment applications. In regard to polyester resins, the Group will try to increase sales of *ARROWBASE*, an environmentally-friendly water-based polyolefin cationic emulsion that has yielded positive results, by exploring new applications for the resin, while promoting the adoption of *UNIFINER*, a new heat-resistant and solvent-soluble polyarylate resin, in electrical and electronics equipment applications to further increase earning power. In the Non-Woven Fabrics business, the Unitika Group will try to boost the use of its products for earthquake reconstruction applications, such as Eleves Capping Sheet, a gas-permeable (perforated) tarpaulin made of a bi-component composite spun-bonded nonwoven fabric, used at decontamination waste temporary storage sites. Concerning cotton spunlace, the Group will expand sales for wet sheet applications and cultivate overseas markets. In regard to TERRAMAC, a biomass plastic, the Unitika Group will strengthen the expansion of its use in Japan and overseas by highlighting its advantages: reforming and processing technologies, such as thermal resistance, and capability to supply the material in various forms.

Advanced Materials:
In the glass fiber business, the Unitika Group will focus on expanding sales of products that meet customers' needs including high-functional products, such as nonflammable ceiling materials in the industrial materials field. In regard to IC cloth in the electronics materials field, the Group will aim to

improve profitability by not only strengthening sales for information terminal device applications, but also thoroughly reducing costs. Regarding glass beads, the Unitika Group will try to increase market share by marketing differentiated products, mainly for industrial applications, and cultivate demand in new fields. In the activated carbon fiber business, the Group will strengthen its overseas expansion of products for waste water treatment applications, mainly in the Asian markets, and expand sales for water purifiers built into faucets and promote the spread of new high-functional cartridge filters.

Fibers and Textiles:
In the industrial materials business, the Unitika Group will implement radical cost reduction measures at all stages—procurement, production, sales and administration—to establish a foundation that enables it to improve profitability. The Group also will strengthen the value chain for ultra-high-strength polyester filament yarn and accelerate sales expansion of short-cut cotton products, including active promotion in overseas markets, and high-performance materials, such as differentiated binder cotton in the short-fiber polyester business. Regarding vinylon fiber for reinforced concrete applications, the Unitika Group will try to improve profitability by expanding sales of high-value added products to new customers in emerging countries it has cultivated. In the Garments, Lifestyle Materials, and Bedding business, with the aim of achieving further growth, the Group, mainly Unitika Trading Co., Ltd., will strengthen global expansion by actively using bases in Indonesia, China and Vietnam and expand product lineups that meet needs in the field of safety, security, and environment.

Others and Healthcare & Amenity:
In the Healthcare & Amenity business, the Unitika Group will continue to cultivate new customers and create new products for health food, such as Byakugen Houou, and also expand sales of functional dietary materials, such as Lactobionic acid, which has made a good start, and Ceramide, a mainstay product. In the Medical business, the Group will try to expand sales of anti-thrombogenic catheters, which now has a stronger product lineup mainly for the circulatory system, market Beschitin, a wound dressing, in the overseas market, and develop new applications and cultivate new customers for enzymes.

Regarding overseas business development, the Unitika Group will try to cement its position as a top global player in the nylon film market through operation of the aforementioned advanced, large-scale nylon film manufacturing equipment and also focus on expanding sales of other businesses in the Polymers, Advanced Materials and Fibers and Textiles segment in the fast-growing Asian market and the European and North American markets using overseas bases in China and the ASEAN region.

The Group will define its medium- to long-term technological vision and develop biomass plastic, functional resins, and heat-resistant film in the life science, environment and energy fields, which are expected to serve as an engine for growth in the future, by making full use of both the polymer design and control technologies and function-adding technologies that the Unitika Group possesses.

The Unitika Group has established a cross-sectional business organization, Provincial Reconstruction Support Team, with the aim of providing support to facilitate full-scale reconstruction from the Great East Japan earthquake. The team has already started its activities. The Group will continue developing businesses, such as offering products useful for debris and waste disposal, and decontamination and radiation measuring services, by using technologies and experiences accumulated in the industrial materials, textiles, environmental survey and measurement fields in addition to the aforementioned non-woven fabric Eleves Capping Sheet.

The Group will promote efficient management of operating capital more than ever before, including cutting back inventories to reduce interest-bearing debt.

3. Consolidated financial statements

(1) Consolidated balance sheets

(Unit: Millions of yen)

	Previous consolidated fiscal year (March 31, 2012)	Current consolidated fiscal year (March 31, 2013)
Assets		
Current assets		
Cash and deposits	15,361	19,668
Notes and accounts receivable-trade	39,884	36,339
Inventories	47,797	39,776
Deferred tax assets	1,775	1,330
Other	3,824	3,329
Allowance for doubtful accounts	(217)	(170)
Total current assets	108,425	100,274
Noncurrent assets		
Property, plant and equipment		
Buildings and structures (net)	21,401	18,389
Machinery, equipment and vehicles (net)	21,944	20,857
Tools, furniture and fixtures (net)	1,218	1,235
Land	104,766	103,163
Lease assets (net)	748	586
Construction in progress	3,066	4,196
Total property, plant and equipment	153,145	148,428
Intangible assets		
Goodwill	21	14
Other	751	800
Total intangible assets	773	815
Investments and other assets		
Investment securities	3,608	3,177
Investments in capital	23	23
Long-term loans receivable	218	201
Deferred tax assets	509	396
Other	2,297	2,062
Allowance for doubtful accounts	(515)	(325)
Total investments and other assets	6,141	5,535
Total noncurrent assets	160,060	154,779
Total assets	268,486	255,054

(Unit: Millions of yen)

	Previous consolidated fiscal year (March 31, 2012)	Current consolidated fiscal year (March 31, 2013)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	25,191	22,067
Short-term loans payable	69,993	68,433
Current portion of long-term loans payable	34,613	32,925
Lease obligations	369	301
Income taxes payable	515	756
Provision for bonuses	1,848	1,567
Provision for loss on construction contracts	23	—
Provision for business structure improvement	142	1,087
Other	11,324	11,423
Total current liabilities	144,022	138,562
Noncurrent liabilities		
Long-term loans payable	68,601	65,162
Lease obligations	414	292
Deferred tax liabilities	11,429	17,336
Deferred tax liabilities for land revaluation	2,204	2,341
Provision for retirement benefits	7,189	7,752
Provision for directors’ retirement benefits	58	53
Other	2,356	2,234
Total noncurrent liabilities	92,255	95,173
Total liabilities	236,278	233,736
Net assets		
Shareholders’ equity		
Capital stock	26,298	26,298
Capital surplus	4,161	4,385
Retained earnings	(646)	(11,976)
Treasury stock	(55)	(44)
Total shareholders’ equity	29,757	18,663
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26	114
Deferred gains or losses on hedges	4	6
Revaluation reserve for land	2,764	2,979
Foreign currency translation adjustment	(4,041)	(3,954)
Total accumulated other comprehensive income	(1,245)	(854)
Minority interests	3,696	3,508
Total net assets	32,207	21,317
Total liabilities and net assets	268,486	255,054

(2) Consolidated income statement and consolidated comprehensive income statement
(Consolidated income statement)

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Net sales	174,662	160,190
Cost of sales	140,843	130,827
Gross profit	33,819	29,362
Selling, general and administrative expenses	24,239	23,843
Operating income	9,579	5,519
Non-operating income		
Interest income	154	97
Dividends income	104	92
Rent income	70	67
Foreign exchange gains	—	1,107
Other	1,066	917
Total non-operating income	1,395	2,281
Non-operating expenses		
Interest expenses	3,265	2,997
Equity in losses of affiliates	224	38
Other	1,731	910
Total non-operating expenses	5,220	3,947
Ordinary income	5,753	3,853
Extraordinary income		
Gain on sales of noncurrent assets	164	817
Gain on negative goodwill	—	48
Total extraordinary income	164	866
Extraordinary losses		
Loss on disposal of noncurrent assets	531	515
Impairment loss	—	4,782
Business structure improvement expenses	2,792	2,405
Loss on abolishment of retirement benefit plan	299	—
Other	434	711
Total extraordinary loss	4,057	8,415
Income (Loss) before income taxes and minority interests	1,861	(3,694)
Income taxes-current	533	857
Income taxes-deferred	12	6,306
Total income taxes	545	7,163
Income (loss) before minority interests	1,315	(10,858)
Minority interests in income	18	17
Net income (loss)	1,297	(10,875)

(Consolidated comprehensive income statement)

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Income (loss) before minority interests	1,315	(10,858)
Other comprehensive income		
Valuation difference on available-for-sale securities	76	87
Deferred gains or losses on hedges	(38)	(0)
Revaluation reserve for land	368	(238)
Foreign currency translation adjustment	(495)	79
Share of other comprehensive income of associates accounted for using equity method	(20)	88
Total other comprehensive income	(110)	17
Comprehensive income	1,205	(10,841)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	1,174	(10,937)
Comprehensive income attributable to minority interests	30	96

(3) Consolidated statements of changes in net assets

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	23,798	26,298
Changes of items during the period		
Issuance of new shares-exercise of subscription rights to shares	2,500	—
Total changes of items during the period	2,500	—
Balance at the end of current period	26,298	26,298
Capital surplus		
Balance at the beginning of current period	1,661	4,161
Changes of items during the period		
Issuance of new shares	—	223
Issuance of new shares-exercise of subscription rights to shares	2,500	—
Total changes of items during the period	2,500	223
Balance at the end of current period	4,161	4,385
Retained earnings		
Balance at the beginning of current period	(1,943)	(646)
Changes of items during the period		
Net income (loss)	1,297	(10,875)
Reversal of revaluation reserve for land	(0)	(453)
Disposal of treasury stock	—	(0)
Total changes of items during the period	1,297	(11,329)
Balance at the end of current period	(646)	(11,976)
Treasury stock		
Balance at the beginning of current period	(55)	(55)
Changes of items during the period		
Purchase of treasury stock	(0)	(27)
Disposal of treasury stock	—	39
Total changes of items during the period	(0)	11
Balance at the end of current period	(55)	(44)
Total shareholders' equity		
Balance at the beginning of current period	23,460	29,757
Changes of items during the period		
Issuance of new shares	—	223
Issuance of new shares-exercise of subscription rights to shares	5,000	—
Net income (loss)	1,297	(10,875)
Reversal of revaluation reserve for land	(0)	(453)
Purchase of treasury stock	(0)	(27)
Disposal of treasury stock	—	39
Total changes of items during the period	6,296	(11,093)
Balance at the end of current period	29,757	18,663

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	(49)	26
Changes of items during the period		
Net changes of items other than shareholders’ equity	76	87
Total changes of items during the period	76	87
Balance at the end of current period	26	114
Deferred gains or losses on hedges		
Balance at the beginning of current period	43	4
Changes of items during the period		
Net changes of items other than shareholders’ equity	(38)	2
Total changes of items during the period	(38)	2
Balance at the end of current period	4	6
Revaluation reserve for land		
Balance at the beginning of current period	2,452	2,764
Changes of items during the period		
Reversal of revaluation reserve for land	0	453
Net changes of items other than shareholders’ equity	311	(238)
Total changes of items during the period	311	215
Balance at the end of current period	2,764	2,979
Foreign currency translation adjustment		
Balance at the beginning of current period	(3,569)	(4,041)
Changes of items during the period		
Net changes of items other than shareholders’ equity	(471)	86
Total changes of items during the period	(471)	86
Balance at the end of current period	(4,041)	(3,954)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(1,123)	(1,245)
Changes of items during the period		
Reversal of revaluation reserve for land	0	453
Net changes of items other than shareholders’ equity	(122)	(61)
Total changes of items during the period	(122)	391
Balance at the end of current period	(1,245)	(854)
Minority interests		
Balance at the beginning of current period	3,641	3,696
Changes of items during the period		
Purchase of shares of consolidated subsidiaries	—	(284)
Net changes of items other than shareholders’ equity	55	96
Total changes of items during the period	55	(188)
Balance at the end of current period	3,696	3,508

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Total net assets		
Balance at the beginning of current period	25,977	32,207
Changes of items during the period		
Issuance of new shares	—	223
Issuance of new shares-exercise of subscription rights to shares	5,000	—
Net income (loss)	1,297	(10,875)
Purchase of treasury stock	(0)	(27)
Disposal of treasury stock	—	39
Purchase of shares of consolidated subsidiaries	—	(284)
Net changes of items other than shareholders' equity	(66)	34
Total changes of items during the period	6,230	(10,890)
Balance at the end of current period	32,207	21,317

(4) Consolidated statements of cash flow

(Unit: Millions of yen)

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Net cash provided by (used in) operating activities		
Income (Loss) before income taxes and minority interests	1,861	(3,694)
Depreciation and amortization	5,899	5,675
Impairment loss	—	4,782
Increase (decrease) in allowance for doubtful accounts	(102)	(237)
Increase (decrease) in provision for retirement benefits	1,551	550
Increase (decrease) in provision for business structure improvement	(482)	945
Increase (decrease) in other provision	700	(311)
Interest expenses	3,265	2,997
Loss (gain) on disposal of noncurrent assets	531	515
Loss (gain) on sales of noncurrent assets	(164)	(817)
Decrease (increase) in notes and accounts receivable-trade	1,870	3,608
Decrease (increase) in inventories	(1,339)	8,201
Increase (decrease) in notes and accounts payable-trade	303	(3,270)
Other, net	345	501
Sub-total	14,239	19,446
Interest and dividends income received	272	188
Interest expenses paid	(3,310)	(2,957)
Income taxes paid	(402)	(637)
Net cash provided by (used in) operating activities	10,798	16,040
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	175	(10)
Purchase of investment securities	(42)	(22)
Proceeds from sales of investment securities	86	401
Purchase of property, plant and equipment	(7,713)	(5,801)
Proceeds from sales of property, plant and equipment	211	1,198
Other, net	(165)	(169)
Net cash provided by (used in) investing activities	(7,449)	(4,404)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(3,558)	(1,887)
Proceeds from long-term loans payable	31,340	29,504
Repayment of long-term loans payable	(36,748)	(34,665)
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	5,000	—
Other, net	(425)	(384)
Net cash provided by (used in) financing activities	(4,393)	(7,432)
Effect of exchange rate change on cash and cash equivalents	(205)	92
Net increase (decrease) in cash and cash equivalents	(1,250)	4,296
Cash and cash equivalents at beginning of period	16,589	15,339
Cash and cash equivalents at the end of the current fiscal year	15,339	19,636

(5) Notes regarding consolidated financial statements

(Notes regarding assumption of a going concern)

Not applicable

(Significant items that are the basis for preparation of consolidated financial statements)

1. Scope of consolidation

The Company has 45 consolidated subsidiaries and three non-consolidated subsidiaries as of the end of the current period under review. Major consolidated subsidiaries are Nippon Ester Co., Ltd. and Unitika Trading Co., Ltd. Total assets, net sales, net income/loss (corresponding to equity interest) and retained earnings (corresponding to equity interest) of the three non-consolidated subsidiaries (Akoh Unitec Service Co., Ltd., etc.) are small in value and do not significantly influence the consolidated financial statements. The number of consolidated subsidiaries decreased by two from the end of the previous period: one company due to a share transfer and the other due to a decline in importance (under liquidation).

2. Application of the equity method

The Company applies the equity method to the two non-consolidated subsidiaries and two affiliated companies (AD’ALL Co., Ltd. and another) as of the end of the current period under review. The number of non-consolidated subsidiaries fell by one from the end of the previous period due to a share transfer.

3. Account settlement date, etc. of consolidated subsidiaries

Among the consolidated subsidiaries, Unitika America Corp., Unitika (Shanghai) Ltd., Emblem Asia Co., Ltd., Unitika Emblem China Ltd., Unitika Do Brasil LLC, Brazcot LLC, Unitika (Beijing) LLC and Unitex Co., Ltd. settle their accounts on December 31, and Unitika Hong Kong Ltd. settles its accounts on February 28. For the purpose of preparing the consolidated financial statements, the financial statements for the respective account settlement dates are used, and any necessary adjustments are made with regard to significant transactions conducted during the period between the relevant settlement date and the current consolidation date. It should be noted that Unitika Plastic (Thailand) Ltd. changed its account settlement date to March 31 (the same as the consolidated settlement date) from the current consolidated fiscal year, reporting results for a 15-month period.

4. Accounting standards

(1) Evaluation standards and method for significant assets

Marketable securities

Other marketable securities

With market values: Valued at fair value based on market values, etc. on the settlement date (variance from valuation is processed with the method entirely to charge or credit directly to equity, and selling cost is calculated using the moving average method.)

Without market values: Valued at cost using the moving average method

Derivatives

Valued at fair value

Inventories

Valued primarily at cost by using the moving average method (the balance sheet value is calculated by the book value written-down method based on decline in profitability.)

(2) Depreciation method for significant depreciable assets

Tangible fixed assets (excluding lease assets)
The Company and its consolidated subsidiaries primarily use the declining-balance method. However, some consolidated subsidiaries use the straight-line method.

Intangible fixed assets (excluding lease assets)
Straight-line method

Lease assets
Lease assets under finance lease transactions that do not transfer ownership
Lease assets are depreciated using the straight-line method over the lease term, based on the assumption that the residual value is equal to zero.

(3) Accounting standards for important allowances

Allowance for doubtful receivables
In order to cover losses from uncollectible account receivables, the Company provides for estimated uncollectible amount of normal receivables based on historical loss ratios. Specific claims including doubtful receivables, etc. are individually evaluated for the likelihood of recovery and estimated uncollectible amount is provided.

Provision for bonuses
The Company provides for allowance for bonus based on the estimated amount of the payment for employees.

Provision for loss on construction contracts
The Company has provided for reasonably estimated losses to be incurred in the next consolidated fiscal year to prepare for anticipated losses on construction contracts.

Provision for business structure improvement
The Company provides for reasonably estimated amount of loss incurred in the next consolidated fiscal year due to implementation of a business structure improvement program.

Allowance for retirement benefits
To cover payment of retirement benefits to employees, the Company provides for retirement benefits based on the estimated amount of the retirement benefit obligation and the trust estate related to retirement benefit obligation (regarding some consolidated subsidiaries, the retirement benefit obligation and pension assets) at the end of the fiscal year ended March 31, 2013.
The transition difference due to a change in the accounting standards is equally expensed over 15 years.
The past service liabilities are amortized using the straight-line method over the average remaining years of service of employees (generally 13 years) when the liability is incurred.
Actuarial gains and losses are expensed using the straight-line method over the average remaining years of service of employees (generally 13 years), allocated starting from the year each respective gain or loss is incurred.

Allowance for directors' retirement bonuses

In the past, the Company and its consolidated subsidiaries provided for the amount payable at the end of the subject term under the internal rule to cover payment of retirement bonuses to directors (including executive officers). However, the Company and its consolidated subsidiaries abolished the directors' retirement bonus system in June 2006 and suspended the transfer of such amount to allowance for directors' retirement bonuses.

(4) Accounting standards for recognizing revenues and costs of construction contracts

The percentage-of-completion method has been applied to construction contracts if the outcome of the construction activity is deemed certain on March 31, 2013 (the estimated percentage of completion shall be based on the ratio of the cost incurred to the estimated total cost). The completed-contract method has been applied to other construction contracts.

(5) Standards for translating important foreign currency assets or liabilities to Japanese currency

Foreign currency monetary assets and liabilities are converted into yen currency at the spot exchange rate of the consolidated settlement date and exchange differences are treated as profit or loss. Meanwhile, the assets and liabilities of overseas subsidiaries are converted into yen currency by the spot exchange rate of the settlement date, and profits and expenses are converted into yen currency at the average market rate during the period with the exchange differences included in the currency exchange translation adjustment and minority interests.

(6) Interest relating to property for sale (inventories)

Interests paid in relation to some real estate for sale in progress among the real estate for sale held by some consolidated subsidiaries are included in the acquisition amount of such real estate.

(7) Important hedge accounting method

The Company adopts deferred hedge accounting, and uses the method for translating foreign currency receivables and payables on the basis of yen value cash flow fixed by forward contract for exchange contracts that may satisfy requirements for the said method, and preferential procedures for interest rate swaps that may satisfy requirements for preferential procedures.

(8) Items relating to amortization of goodwill

Goodwill is amortized using the straight-line method over 5 years.

(9) Scope of funds in consolidated statements of cash flows

Funds (cash and cash equivalents) stated in the consolidated statements of cash flows consist of cash on hand, demand deposits and short-term investments that are readily convertible into cash, are exposed to insignificant risk of changes in value and are redeemable in 3 months or less from each acquisition date.

(10) Treatment of consumption taxes, etc.

The Company adopts the tax-excluding method.

(Segment information etc.)

Segment information

1. Summary of reportable segment

Unitika's reportable segments are components of the Company for which separate financial information is available. These segments are subject to regular reviews by the Board of Directors to decide the distribution of managerial resources and evaluate business results.

The Company sets up divisions by product and service in its head office. Each division formulates comprehensive domestic and overseas strategies for its products and services and conducts business activities according to the strategies.

Unitika consists of segments by product and service based on divisions. The following three are its reportable segments: Polymers, Advanced Materials, and Fibers & Textiles.

The Polymers segment manufactures and markets films, resins, and non-woven fabrics. The Advanced Materials segment makes and sells glass fibers. The Fibers & Textiles segment produces and distributes various types of fibers (threads, cotton, textiles and fabrics and the like).

2. Methods to calculate the amount of net sales, profit or loss, assets and other items by reportable segment

Methods of accounting treatment of reported business segments are almost the same as those stated in the Significant items that are the basis for preparation of consolidated financial statements.

Inter-segment earnings and transfers are based on prevailing market prices.

3. Information on the amount of net sales, profit or loss, assets and other items by reportable segment

The previous fiscal year (April 1, 2011 to March 31, 2012)

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount posted in Consolidated financial statements (Note 3)
	Polymers	Advanced Materials	Fibers & Textiles	Total				
Net sales								
Net sales to outside customers	67,294	15,020	76,701	159,016	15,646	174,662	—	174,662
Inter-segment sales or transfer	18	50	266	334	2,114	2,449	(2,449)	—
Total	67,312	15,070	76,967	159,351	17,760	177,111	(2,449)	174,662
Segment income	9,615	1,731	744	12,091	751	12,843	(3,263)	9,579
Segment assets	89,111	20,758	76,701	186,571	51,222	237,793	30,692	268,486
Other items								
Depreciation and amortization	2,565	641	1,502	4,709	877	5,586	312	5,899
Increase in property, plant and equipment and intangible assets	4,606	588	994	6,189	1,291	7,480	822	8,302

(Note) 1. The *Other* category comprises business segments that are not included in reportable segments. It includes Environmental business, Medical business, Healthcare & Amenity business, and Real Estate-related business and the like.

2. Adjustment details are as follows.

(1) Adjustment of (3,263) million yen for *Segment income* includes corporate expenses that are not allocated to each reportable segment.

(2) Adjustment of 30,692 million yen for *Segment assets* include investment of surplus funds (cash and deposits) by the parent company, long-term investment funds (investment securities) and assets, etc. related to the Administration and the Research and Development Division of the parent company.

(3) Adjustment of 312 million yen for *Depreciation and amortization* is depreciation and amortization of common assets that are not allocated to each reportable segment.

(4) Adjustment of 822 million yen for *Increase in property, plant and equipment and intangible assets* is an increase in common assets that are not allocated to each reportable segment.

3. *Segment income* is adjusted with operating income in consolidated statements of income.

Current consolidated fiscal year (April 1, 2012 to March 31, 2013)

(Unit: Millions of yen)

	Reportable segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount posted in Consolidated financial statements (Note 3)
	Polymers	Advanced Materials	Fibers & Textiles	Total				
Net sales								
Net sales to outside customers	61,217	14,081	67,714	143,013	17,177	160,190	—	160,190
Inter-segment sales or transfer	23	56	235	315	2,249	2,565	(2,565)	—
Total	61,241	14,137	67,950	143,329	19,426	162,756	(2,565)	160,190
Segment income (loss)	6,989	1,163	(370)	7,782	1,324	9,107	(3,588)	5,519
Segment assets	87,863	19,200	65,276	172,339	46,765	219,104	35,949	255,054
Other items								
Depreciation and amortization	2,623	526	1,356	4,507	836	5,344	330	5,675
Increase in property, plant and equipment and intangible assets	3,363	456	913	4,733	432	5,166	1,172	6,338

(Note) 1. The *Other* category comprises business segments that are not included in reportable segments. It includes Environmental business, Medical business, Healthcare & Amenity business, and Real Estate-related business and the like.

2. Adjustment details are as follows.

(1) Adjustment of (3,588) million yen for *Segment income (loss)* includes corporate expenses that are not allocated to each reportable segment.

(2) Adjustment of 35,949 million yen for *Segment assets* include investment of surplus funds (cash and deposits) by the parent company, long-term investment funds (investment securities) and assets, etc. related to the Administration and the Research and Development Division of the parent company.

(3) Adjustment of 330 million yen for *Depreciation and amortization* is depreciation and amortization of common assets that are not allocated to each reportable segment.

(4) Adjustment of 1,172 million yen for *Increase in property, plant and equipment and intangible assets* is an increase in common assets that are not allocated to each reportable segment.

3. *Segment income (loss)* is adjusted with operating income in consolidated statements of income.

(Per share information)

Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Net assets per share: 49.81 yen Net income per share: 2.35 yen Net income per share after full dilution: 2.28 yen	Net assets per share: 30.88 yen Net income per share: 18.87 yen Information on net income per share after full dilution was omitted, since the Group posted a net loss and there was no potential common stock.

(Note) The basis for the calculation of net income per share or net loss per share, and net income per share after full dilution is as follows:

	Previous consolidated fiscal year (April 1, 2011 to March 31, 2012)	Current consolidated fiscal year (April 1, 2012 to March 31, 2013)
Net income per share or net loss per share		
Net income (loss) (million yen)	1,297	(10,875)
Amount not attributable to common stockholders (million yen)	—	—
Net income (loss) attributable to common stock (million yen)	1,297	(10,875)
Average number of common stock during the fiscal year (thousand shares)	552,192	576,460
Net income per share after full dilution		
Net income adjustment value (million yen)	—	—
Increase in number of outstanding common shares (thousand shares)	16,651	—
(Of which convertible bond-type bonds with subscription rights to shares (thousand shares))	[16,651]	—
Summary of issuable shares not included in the computation of net income per share after full dilution, since these securities are not dilutive.	—	—

(Material subsequent events)

Not applicable

4. Other

Transfer of directors

As of June 27, 2013

1. Candidates for position of director

   Yusei Yamaguchi (reappointment; current Representative Director, Senior Managing Executive Officer, Assistant to President, based in Tokyo Office, in charge of Accounting and Information Systems)

   Takuro Matsunaga (reappointment; current Director, Managing Executive Officer, President & Chief Executive Officer of Unitika Trading Co., Ltd. (part time))

   Seizo Sakata (new appointment; current Senior Executive Officer, General Manager of Film Business)

2. Director to retire

   Akio Nakagi (current Representative Director, Managing Executive Officer)

3. Candidate for position of auditor

   Masao Nokihara (reappointment; current Auditor (part-time)) (Scheduled to work as a part-time auditor)

   (Note) Masao Nokihara is a candidate for the position of external auditor.

Career summary of candidate for position of director

Seizo Sakata (Date of birth: May 12, 1953)

Employment history	April 1977	Joined Unitika Ltd.
	April 2000	Manager of Spunbond business Control Office
	October 2002	General Manager of Sales Department, Tokyo Packaging Film Department, Film Business
	April 2004	General Manager of Sales Department, Film Business
	April 2007	Deputy General Manager of Film Business
	June 2009	Executive Officer, General Manager of Film Business
	June 2011	Senior Executive Officer, General Manager of Film Business

5. Supplementary materials

(1) Results and earnings forecast for fiscal year ending March 2014 (consolidated)

(Millions of yen)

			Net sales	Operating income	Ordinary income	Net income
Consolidated	FY ended March 2012	Full year	174,662	9,579	5,753	1,297
	FY ended March 2013	Q2	76,152	2,317	487	(931)
		Full year	160,190	5,519	3,853	(10,875)
	FY ending March 2014	Q2 (forecast)	77,500	2,800	1,200	200
		Full year (forecast)	165,000	7,500	4,000	2,000
	Comparison with prior year	Q2 (forecast)	1,348	483	713	1,131
		Full year (forecast)	4,810	1,981	147	12,875

(2) Segment information (consolidated)

(Millions of yen)

			Polymers	Advanced Materials	Fibers & Textiles	Other	Elimination or corporate	Consolidated total
Results for prior fiscal year	FY ended March 2012	Net sales to outside customers	67,294	15,020	76,701	15,646	—	174,662
		Component ratio (%)	38.5	8.6	43.9	9.0	—	100.0
		Operating income	9,615	1,731	744	751	(3,263)	9,579
		Component ratio (%)	100.4	18.1	7.8	7.8	(34.1)	100.0
Results for current fiscal year	FY ended March 2013	Net sales to outside customers	61,217	14,081	67,714	17,177	—	160,190
		Component ratio (%)	38.2	8.8	42.3	10.7	—	100.0
		Operating income	6,989	1,163	(370)	1,324	(3,588)	5,519
		Component ratio (%)	126.6	21.1	(6.7)	24.0	(65.0)	100.0
Comparison with prior year		Net sales to outside customers	(6,077)	(939)	(8,987)	1,531	—	(14,472)
		Increase/decrease from prior year (%)	(9.0)	(6.3)	(11.7)	9.8	—	(8.3)
		Operating income	(2,626)	(568)	(1,114)	573	(325)	(4,060)
		Increase/decrease from prior year (%)	(27.3)	(32.8)	—	76.3	10.0	(42.4)
FY ending March 2014 (forecast)	(forecast)	Net sales to outside customers	67,500	14,500	66,000	17,000	—	165,000
		Component ratio (%)	40.9	8.8	40.0	10.3	—	100.0
		Operating income	7,300	1,500	800	1,200	(3,300)	7,500
		Component ratio (%)	97.3	20.0	10.7	16.0	(44.0)	100.0
	Comparison	Net sales to outside customers	6,283	419	(1,714)	(177)	—	4,810
		Increase/decrease from prior year (%)	10.3	3.0	(2.5)	(1.0)	—	3.0
		Operating income	311	337	1,170	(124)	288	1,981
		Increase/decrease from prior year (%)	4.4	29.0	—	(9.4)	(8.0)	35.9

(3) Capital expenditures, Depreciation (Property, plant and equipment), R&D expenditures, Interest-bearing liabilities, Financial account balance, Number of full-time employees (consolidated) (¥ million, persons)

		Capital expenditures	Depreciation (Property, plant and equipment)	R&D expenditures	Interest-bearing liabilities (end of fiscal year)	Financial account balance	Number of full-time employees (persons)
FY ended March 2011	Full year	4,437	6,106	3,615	182,550	(3,261)	4,845
FY ended March 2012	Full year	8,105	5,730	4,012	173,208	(3,006)	4,745
FY ended March 2013	Full year	6,095	5,480	4,345	166,521	(2,808)	4,534
FY ending March 2014	Full year (forecast)	5,660	4,982				

(4) Cash flow (consolidated)

(Millions of yen)

		Cash flow from operating activities	Cash flow from investment activities	Cash flow from financing activities	Cash and cash equivalents at end of fiscal year
FY ended March 2011	Full year	10,416	(2,959)	(10,844)	16,589
FY ended March 2012	Full year	10,798	(7,449)	(4,393)	15,339
FY ended March 2013	Full year	16,040	(4,404)	(7,432)	19,636