

February 6, 2009

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Tokuyama Corporation Announces Revised Performance Forecast

Based on the current business performance trend, Tokuyama Corporation has revised the performance forecast, announced on May 12, 2008, for Fiscal 2008 ending March 31, 2009 (April 1, 2008 to March 31, 2009), as described below.

1. Revised Performance Forecast for Fiscal 2008 ending March 31, 2009

(April 1, 2008 to March 31, 2009)

(1) Consolidated

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2008)	331,000	30,000	28,500	17,500	63.79
Newly revised forecast : (B)	306,500	25,000	23,000	500	1.82
Change : (B) - (A)	(24,500)	(5,000)	(5,500)	(17,000)	—
Rate of change (%)	(7.4)	(16.7)	(19.3)	(97.1)	—
[Reference] Fiscal 2007	307,453	35,325	30,399	18,888	68.85

(2) Non-consolidated

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2008)	226,000	24,500	24,000	15,500	56.50
Newly revised forecast : (B)	208,500	24,500	22,000	2,000	7.30
Change : (B)−(A)	(17,500)	0	(2,000)	(13,500)	—
Rate of change (%)	(7.7)	0.0	(8.3)	(87.1)	—
[Reference] Fiscal 2007	206,161	28,539	26,482	17,994	65.59

2. Reasons for the revision

As demand for our products decreased rapidly with the worldwide economic recession, the third quarter business performance was below what was expected at the announcement of the previous performance forecast. With regard to the fourth quarter, although the price of raw materials has settled down, a downward trend in demand in the industries related to the Tokuyama group is expected to continue.

Furthermore, we will record the costs of repairs and improvement works of ¥20.0 billion arising from the plastic window sashes (fireproof & fire-resistant grade) issue announced on January 23, 2009, as a provision for loss on compensation for products in the extraordinary loss section. We will also record an impairment loss on fixed assets of ¥2.4 billion relevant to the issue as a loss.

Based on these factors, we have revised the performance forecast for Fiscal 2008 (April 1, 2008 to March 31, 2009), announced on May 12, 2008.

※ The above-mentioned performance forecast has been prepared on the basis of information available at this point and certain information which is judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.