

Summary of Fiscal 2009

(The Fiscal Year ended March 31, 2010)

Tokuyama Corporation

1. Consolidation

Classification	Fiscal 2009	Fiscal 2008	Changes(*)
The number of consolidated subsidiaries	49	46	+3
The number of subsidiaries and affiliates by the equity method	9	11	-2

* See the note on page 3

2. Summary of performance & other corporate data (consolidated)

(Unit: Billions of yen, except number of employees)

	Fiscal 2009	Fiscal 2008	Changes
Net sales	273.1	300.9	-27.8
Operating income	16.4	22.7	-6.2
Ordinary income	15.3	20.3	-5.0
Net income	7.4	-5.5	+13.0
Net income per share (Unit: yen)	23.52	-20.42	+43.94
Capital expenditures	26.5	52.5	-25.9
Depreciation and amortization	37.6	22.9	+14.7
R&D expenses	11.8	11.8	-0.0
Financial income and expenses	-1.1	-0.6	-0.4

	As of March 31, 2010	As of March 31, 2009	Changes
Interest-bearing debt	100.0	95.9	+4.1
Number of employees	5,444	5,295	+149

3. Net sales/operating income by business segment (year on year)

(Unit: Billions of yen)

	FY2009		FY2008		Changes			
	Net Sales	Operating income	Net Sales	Operating income	Net Sales	%	Operating income	%
Chemicals	93.6	6.1	112.6	1.2	-19.0	-17	+4.8	+389
Tokuyama	73.0	5.4	86.6	1.0	-13.6	-	+4.4	-
Tokuyama Group (including consolidation adjustment)	20.6	0.6	26.0	0.2	-5.3	-	+0.4	-
Specialty Products	106.3	14.4	102.8	26.3	+3.4	+3	-11.8	-45
Tokuyama	80.3	12.6	75.9	25.4	+4.4	-	-12.7	-
Tokuyama Group (including consolidation adjustment)	25.9	1.8	26.9	0.8	-0.9	-	+0.9	-
Cement, Building Materials and Others	73.1	0.0	85.4	-0.5	-12.2	-14	+0.5	-
Tokuyama	34.4	0.8	40.0	0.1	-5.5	-	+0.6	-
Tokuyama Group (including consolidation adjustment)	38.6	-0.7	45.4	-0.7	-6.7	-	-0.0	-
Total	273.1	20.6	300.9	27.0	-27.8	-	-6.4	-
Inter-segment eliminations and corporate-wide expenses	-	-4.1	-	-4.3	-	-	+0.1	-
Consolidated results	273.1	16.4	300.9	22.7	-27.8	-9	-6.2	-28

- In the Chemicals segment, profit increased as a result of cost decrease of raw materials and fuel.
- In the Specialty Products segment, profit declined due to a fall in the selling prices of polycrystalline silicon and increased depreciation.
- In the Cement, building materials and others segment, we secured a profit owing to decreased raw materials and fuel costs.

4. Net sales/operating income by business segment (forecasts)

(1) Net sales/operating income by business segment (full year comparison)

(Unit: Billions of yen)

	FY2010 Forecast		FY2009 Results		Changes	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Chemicals	79.0	2.0	72.5	3.0	+6.4	-1.0
Specialty Products	93.0	14.5	88.6	14.2	+4.3	+0.2
Cement	63.5	0.5	64.6	1.5	-1.1	-1.0
Advanced Components	45.0	2.0	42.0	1.6	+2.9	+0.3
Others	41.0	2.5	36.3	2.7	+4.6	-0.2
Total	321.5	21.5	304.2	23.2	+17.2	-1.7
Inter-segment eliminations and corporate-wide expenses	-35.5	-7.5	-31.0	-6.7	-4.4	-0.7
Consolidated results	286.0	14.0	273.1	16.4	+12.8	-2.4

The Company has changed its segment classification from the former three segments to five segments shown above, Chemicals, Specialty Products, Cement, Advanced Components, and Others. This segment classification is used beginning in the current fiscal year (FY2010).

(2) Assumptions of performance forecasts for Fiscal 2010

	Fiscal 2010	Oct 2009-Mar 2010	Apr-Sep 2009
Domestic Naphtha Price (¥/kl)	51,000	45,100	37,250
Exchange Rate (¥/\$)	95	90	95

The estimated cost increase of raw materials and fuel such as ethylene, propylene and coal is taken into consideration.

We expect a decline in profit due to an expected decrease in sales volume of some products and other

factors as well as the above-mentioned cost increase.

- In the Chemicals segment, the cost increase of raw materials and fuel such as ethylene, propylene and coal is taken into consideration.
- In the Specialty Products segment, a fall in the selling prices of polycrystalline silicon is taken into consideration. As for other products, an improvement in profitability as a result of a sales volume increase and/or a rise in sales prices is taken into consideration in almost all the products.
- In the Cement segment, the cost increase of coal and other raw materials and fuel, a decrease in sales volume, and some of streamlining effects are taken into consideration. We will continue to endeavor to reduce costs.
- In the Advanced Components segment, we will meet the severe business environment by strengthening the group management.
- In the Others segment, we will strive to improve profitability of the whole Group by continuing cost reduction efforts.

Note:

The number of consolidated subsidiaries

Addition: Tokuyama Malaysia Sdn. Bhd.
Riken Figaro Co., Ltd.
Iwamoto Kenzai Kogyo Co., Ltd.
Shunan Bulk Terminal Co., Ltd.

Reduction: ATWiLL Corporation

The number of subsidiaries and affiliates by the equity method

Addition: Daipia Systec (Thailand) Co., Ltd.
Reduction: Riken Figaro Co., Ltd.
Ryokou Tokuyama Ready Mixed Concrete Co., Ltd.
S·K·Tech Co., Ltd.

**Summary of Consolidated Financial Statements for Fiscal 2009
(The Fiscal Year ended March 31, 2010)**

May 12, 2010

Tokuyama Corporation

(URL <http://www.tokuyama.co.jp/>)

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Kazuhisa Kogo

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Stock exchange listings:

Tokyo

Code number:

4043

Scheduled date for the Ordinary General Meeting of Shareholders : June 25, 2010

Scheduled date of year-end dividends payout : June 28, 2010

Scheduled date for the filing of the consolidated financial statements : June 28, 2010

1. Consolidated results for fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)

Note: All amounts are rounded down to the nearest million yen.

(1) Performance

% indicates year-on-year changes.

	Net sales		Operating income		Ordinary income		Net income	
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]
Fiscal 2009	273,154	(9.3)	16,483	(27.5)	15,355	(24.6)	7,458	-
Fiscal 2008	300,999	(2.1)	22,738	(35.6)	20,359	(33.0)	(5,597)	-

	Net income per share	Diluted net income per share	Net income to shareholders' equity	Ordinary income to total assets	Operating income to net sales
	(yen)	(yen)	[%]	[%]	[%]
Fiscal 2009	23.52	—	3.5	3.6	6.0
Fiscal 2008	(20.42)	—	(2.9)	5.2	7.6

(Reference) Equity in earnings of unconsolidated subsidiaries and affiliates: FY09: 826 million yen FY07: 123 million yen

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	[%]	(yen)
Mar 31, 2010	452,893	243,606	52.4	682.03
Mar 31, 2009	403,613	189,757	45.5	669.80

(Reference) Shareholders' equity: FY09: 237,338 million yen FY08: 183,539 million yen

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
	(millions of yen)	(millions of yen)	(millions of yen)	(millions of yen)
Fiscal 2009	29,380	(36,468)	46,990	95,945
Fiscal 2008	42,480	(56,506)	29,246	55,365

2. Dividends

(Period)	Dividends per share					Total dividends paid (Total)	Dividend payout ratio (Consolidated)	Dividend on net assets ratio (Consolidated)
	1st quarter	2nd quarter	3rd quarter	Year-end	Total			
	(yen)	(yen)	(yen)	(yen)	(yen)	(millions of yen)	[%]	[%]
Fiscal 2008	—	3.00	—	3.00	6.00	1,644	—	0.9
Fiscal 2009	—	3.00	—	3.00	6.00	2,087	25.5	0.9
Fiscal 2010 (Forecast)	—	3.00	—	3.00	6.00		25.4	

3. Consolidated performance forecast for Fiscal 2010 (April 1, 2010 – March 31, 2011)

(% indicates the rate of change over the corresponding previous periods respectively)

	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 Half Fiscal 2010	136,500	4.4	6,000	(28.3)	5,500	(21.6)	3,000	(29.7)	9.46
Fiscal 2010	286,000	4.7	14,000	(15.1)	13,000	(15.3)	7,500	0.6	23.65

* Cautions pertaining to the appropriate use of performance forecasts and other particular items

The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance etc. because of various factors that may arise from now on.

4. Other information

(1) Changes of significant subsidiaries in the scope of consolidation during this period

: No

(2) Changes of accounting principles, procedures and presentation methods, etc. related to the preparation of the consolidated financial statements

i. Changes by revision of accounting standard: Yes

ii. Changes other than the above: Yes

(3) Number of shares issued (in common stock)

i. Number of shares issued at end of period (including treasury stock): FY09: 349,671,876 FY08: 275,671,876

ii. Number of treasury stock at end of period: FY09: 1,685,474 FY08: 1,650,227

(Reference) Summary of Non-Consolidated Operating Results

1. Non-Consolidated results for fiscal year ended March 31, 2010 (April 1, 2009 – March 31, 2010)

(1) Performance

Note: All amounts are rounded down to the nearest million yen.

% indicates year-on-year changes.

	Net sales		Operating income		Ordinary income		Net income	
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]
Fiscal 2009	187,911	(7.3)	14,805	(33.7)	12,745	(36.0)	5,510	-
Fiscal 2008	202,642	(1.7)	22,327	(21.8)	19,914	(24.8)	(5,792)	-

	Net income per share	Diluted net income per share
	(yen)	(yen)
Fiscal 2009	17.38	—
Fiscal 2008	(21.13)	—

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	(millions of yen)	(millions of yen)	[%]	(yen)
Mar 31, 2010	391,693	220,145	56.2	632.63
Mar 31, 2009	348,693	168,574	48.3	615.19

(Reference) Shareholders' equity: FY09: 220,145 million yen FY08: 168,574 million yen

2. Non-Consolidated performance forecast for Fiscal 2010 (April 1, 2010 – March 31, 2011)

(% indicates the rate of change over the corresponding previous periods respectively)

	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 Half Fiscal 2010	91,500	1.8	4,500	(43.7)	4,000	(28.7)	2,500	(20.9)	7.88
Fiscal 2010	192,000	2.2	11,000	(25.7)	10,000	(21.5)	6,000	8.9	18.92

* Cautions pertaining to the appropriate use of performance forecasts and other particular items

The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance etc. because of various factors that may arise from now on.