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Company name: Tokuyama Corporation

Representative name: Kazuhisa Kogo,

President and Representative Director

(Code No. 4043, First Section TSE)

Contact: Yoshifumi Matsumoto, General Manager

Corporate Communications & Investor Relations Dept.

TEL: +81-3-6205-4832

## Tokuyama Corporation Announces Revised Performance Forecast

Based on the current performance trend, Tokuyama Corporation has revised the performance forecast, announced on May 12, 2011, for the First Half Fiscal 2011 (April 1, 2011 to September 30, 2011) and Fiscal 2011 (April 1, 2011 to March 31, 2012), as described below.

### 1. Revised Consolidated Performance Forecast for Fiscal 2011

#### (1) Performance Forecast for the First Half Fiscal 2011 (consolidated)

(April 1, 2011 to September 30, 2011)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2011)	151,000	9,500	8,500	4,500	12.93
Newly revised forecast : (B)	141,900	8,100	5,600	2,700	7.76
Change : (B) - (A)	(9,100)	(1,400)	(2,900)	(1,800)	—
Rate of change (%)	(6.0)	(14.7)	(34.1)	(40.0)	—
[Reference] First Half Fiscal 2010	139,685	8,775	5,976	2,924	8.40

## (2) Performance Forecast for Fiscal 2011 (consolidated)

(April 1, 2011 to March 31, 2012)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2011)	310,000	20,000	18,000	10,000	28.74
Newly revised forecast : (B)	292,500	16,000	12,000	7,500	21.55
Change : (B) - (A)	(17,500)	(4,000)	(6,000)	(2,500)	—
Rate of change (%)	(5.6)	(20.0)	(33.3)	(25.0)	—
[Reference] Fiscal 2010	289,786	20,144	17,341	9,765	28.06

## 2. Revised Non-consolidated Performance Forecast for Fiscal 2011

### (1) Performance Forecast for the First Half Fiscal 2011 (non-consolidated)

(April 1, 2011 to September 30, 2011)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2011)	103,500	7,000	6,500	4,000	11.50
Newly revised forecast : (B)	95,900	5,800	3,600	2,100	6.04
Change : (B) - (A)	(7,600)	(1,200)	(2,900)	(1,900)	—
Rate of change (%)	(7.3)	(17.1)	(44.6)	(47.5)	—
[Reference] First Half Fiscal 2010	94,454	6,437	3,591	425	1.22

## (2) Performance Forecast for Fiscal 2011 (non-consolidated)

(April 1, 2011 to March 31, 2012)

(Unit: Millions of yen)

	Net sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecast : (A) (May 12, 2011)	213,000	16,000	14,000	8,000	22.99
Newly revised forecast : (B)	198,500	12,500	9,000	6,000	17.24
Change : (B) – (A)	(14,500)	(3,500)	(5,000)	(2,000)	—
Rate of change (%)	(6.8)	(21.9)	(35.7)	(25.0)	—
[Reference] Fiscal 2010	197,766	15,955	13,635	6,726	19.33

### 3. Reasons for the revision

#### Performance Forecast for First Half Fiscal 2011 (Apr. 1, 2011 – Sept. 30, 2011)

With regard to the non-consolidated performance forecast, net sales are expected to be below what was estimated in the previous forecast, due chiefly to a decrease in polycrystalline silicon sales volume in the first quarter arising from the Great East Japan Earthquake and lower-than-expected petrochemicals selling prices as a result of lower-than-expected prices of naphtha used as a raw material for petrochemicals.

Operating income is expected to fall short of the previous forecast, due mainly to a decrease in polycrystalline silicon sales volume.

Ordinary income is expected to fall short of the previous forecast, due chiefly to a foreign exchange loss as well as the abovementioned factors.

With regard to the consolidated performance forecast, net sales are expected to be below what was estimated in the previous forecast, due chiefly to lower-than-expected vinyl chloride resin selling prices as well as the factors mentioned in the non-consolidated performance forecast.

Profits on the consolidated basis have been revised downward, basically for the same reasons as the non-consolidated performance forecast.

Based on these factors, the Company has revised the performance forecast, announced on May 12, 2011, for the First Half Fiscal 2011.

### **Performance Forecast for Fiscal 2011 (Apr. 1, 2011 – Mar. 31, 2012)**

With regard to the non-consolidated performance forecast, net sales and operating income are expected to fall short of what was estimated in the previous forecast, due chiefly to a fall in vinyl chloride monomer export market prices arising from the rapid slowdown in the world economy and a decrease in sales volume of most of the Specialty Products segment's products used in the semiconductor and LCD industries as well as the reasons for the revision to the performance forecast for the First Half Fiscal 2011.

The consolidated performance forecast for Fiscal 2011 has been revised, basically for the same reasons as the non-consolidated performance forecast.

Based on these factors, the Company has revised the performance forecast, announced on May 12, 2011, for Fiscal 2011.

※ The performance forecasts 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 because of various factors that may arise from now on.