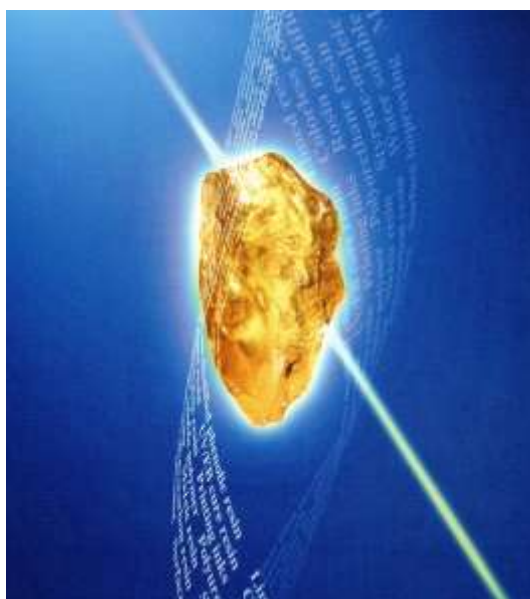


DATA BOOK 2010

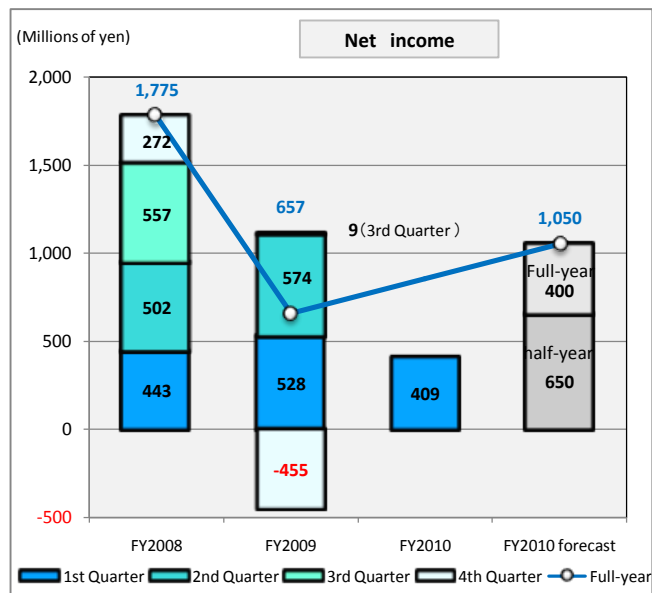
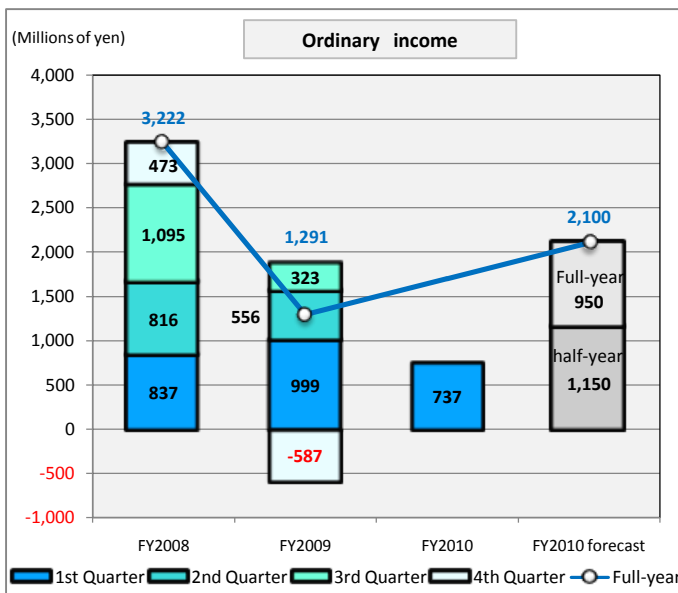
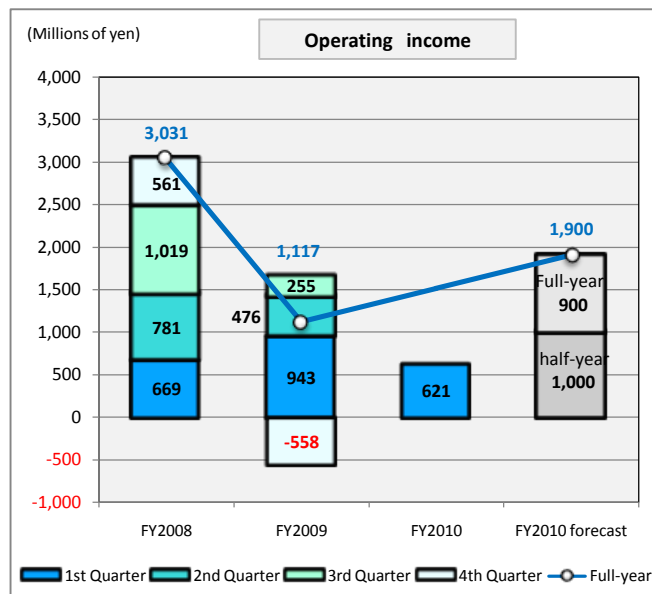
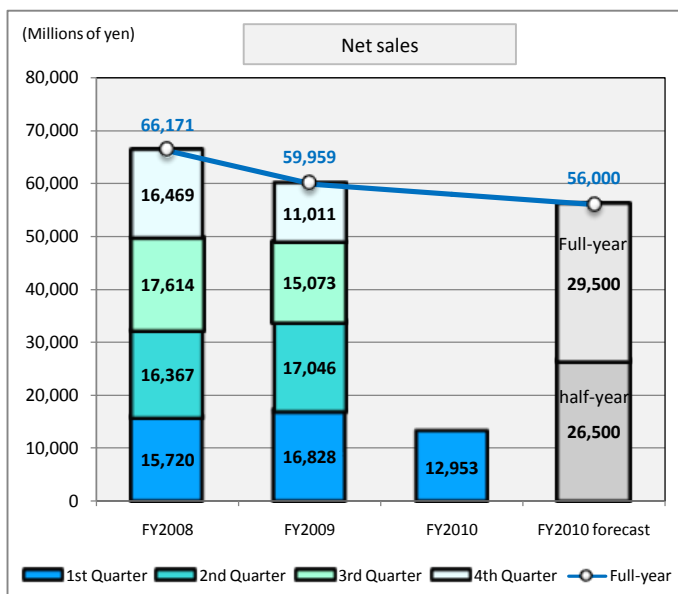
July 30th, 2009

1st Quarter ended June 30, 2009



ARAKAWA CHEMICAL INDUSTRIES, LTD.

*** Achievement transition(Consolidated)**



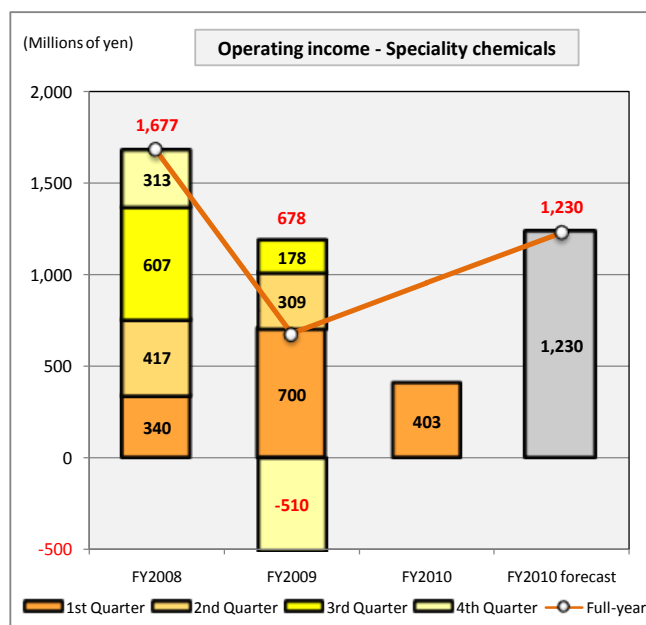
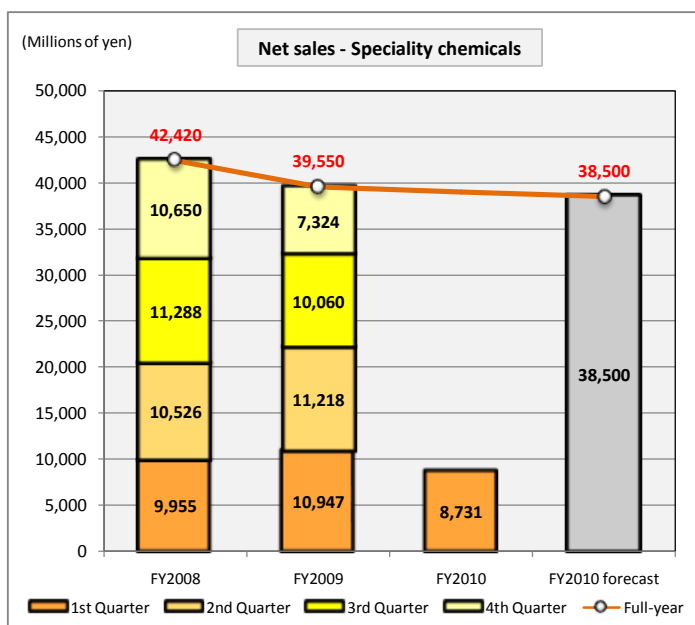
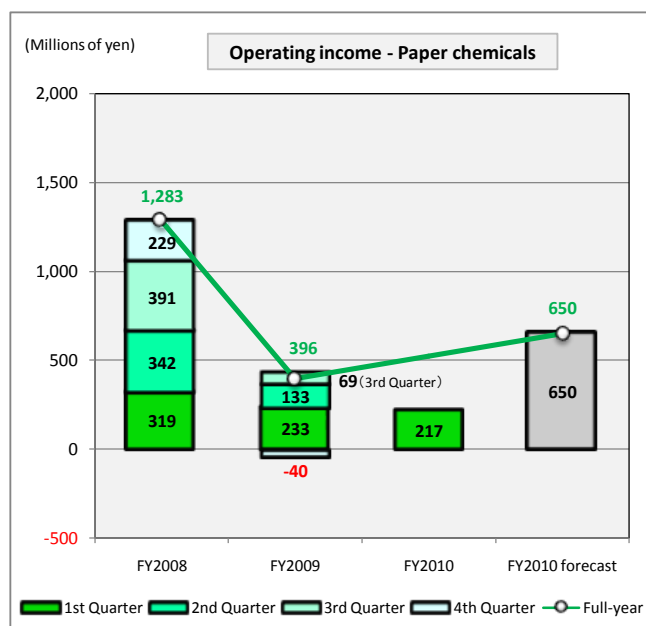
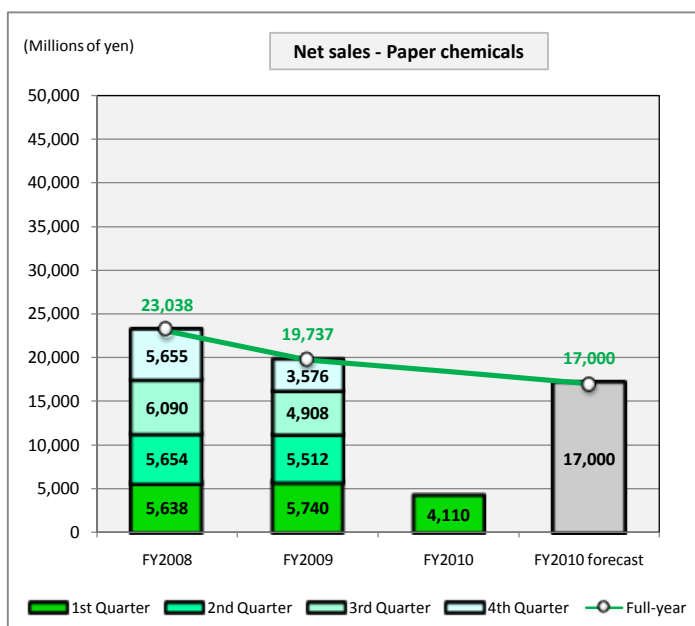
Consolidated	FY2008(1Q) (‘07/4-‘07/6)		FY2009(1Q) (‘08/4-‘08/6)		FY2010(1Q) (‘09/4-‘09/6)		FY2008 (‘07/4-‘08/3)		FY2009 (‘08/4-‘09/3)		FY2010 forecast (‘09/4-‘10/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Net sales	15,720	5.7	16,828	7.0	12,953	△ 23.0	66,171	7.3	59,959	△ 9.4	56,000	△ 6.6
Operating income	669	△ 11.6	943	41.0	621	△ 34.2	3,031	7.1	1,117	△ 63.1	1,900	70.1
Ordinary income	837	0.1	999	19.4	737	△ 26.1	3,222	10.8	1,291	△ 59.9	2,100	62.6
Net income	443	1.3	528	19.2	409	△ 22.6	1,775	8.4	657	△ 63.0	1,050	59.8

*** Management index(Consolidated)**

Consolidated	FY2008(1Q) (‘07/4-‘07/6)		FY2009(1Q) (‘08/4-‘08/6)		FY2010(1Q) (‘09/4-‘09/6)		FY2008 (‘07/4-‘08/3)		FY2009 (‘08/4-‘09/3)		FY2010 forecast (‘09/4-‘10/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Capital investment	280	75	115	△ 164	346	230	2,991	1,417	1,349	△ 1,642	3,780	2,430
Depreciation and amortization	472	53	503	31	503	△ 0	2,091	259	2,183	91	2,360	176
R & D expenses	584	17	624	39	647	22	2,495	174	2,637	141	3,110	472
Interest-bearing debt	8,964	2,427	7,958	△ 1,006	9,598	1,639	8,275	△ 1,553	10,147	1,872	9,560	△ 587

* The Quarter Performances of past years in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2008.

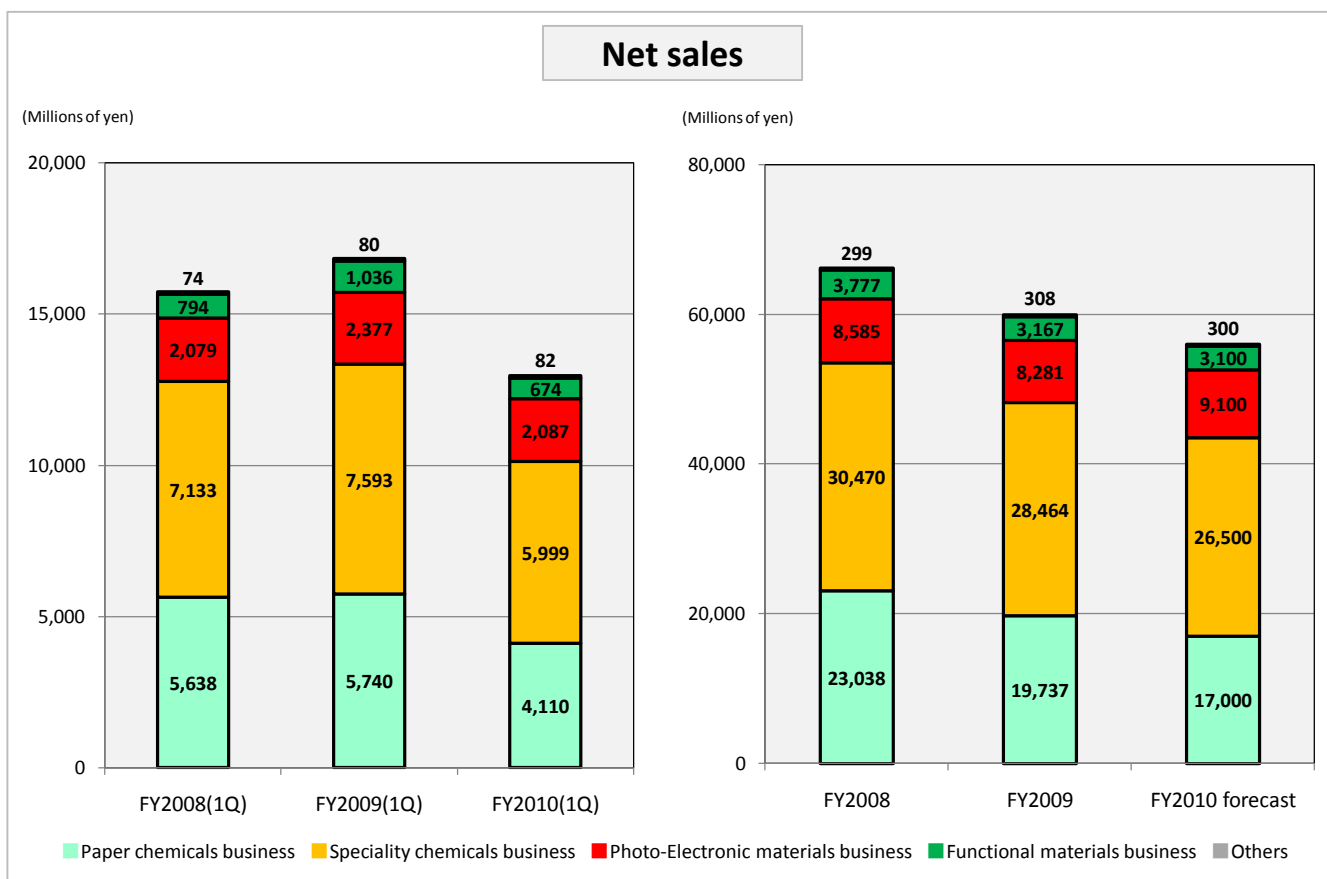
*** Segment information(Consolidated)**



Consolidated		FY2008(1Q) (‘07/4-‘07/6)		FY2009(1Q) (‘08/4-‘08/6)		FY2010(1Q) (‘09/4-‘09/6)		FY2008 (‘07/4-‘08/3)		FY2009 (‘08/4-‘09/3)		FY2010 forecast (‘09/4-‘10/3)	
		Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Paper chemicals	Net sales	5,638	6.6	5,740	1.8	4,110	△ 28.4	23,038	3.8	19,737	△ 14.3	17,000	△ 13.9
	Operating income	319	17.3	233	△ 26.9	217	△ 6.9	1,283	13.1	396	△ 69.1	650	64.0
	Operating income/sales	5.7%		4.1%		5.3%		5.6%		2.0%		3.8%	
Speciality chemicals	Net sales	9,955	5.7	10,947	10.0	8,731	△ 20.2	42,420	10.0	39,550	△ 6.8	38,500	△ 2.7
	Operating income	340	△ 27.7	700	105.9	403	△ 42.4	1,677	3.0	678	△ 59.6	1,230	81.3
	Operating income/sales	3.4%		6.4%		4.6%		4.0%		1.7%		3.2%	
Others	Net sales	127	△ 22.3	141	11.0	111	△ 20.7	712	△ 21.8	671	△ 5.7	500	△ 25.6
	Operating income	9	△ 33.0	9	△ 0.5	0	△ 99.7	69	2.8	42	△ 39.2	20	△ 52.8
	Operating income/sales	7.4%		6.6%		0.0%		9.8%		6.3%		4.0%	
Consolidated total	Net sales	15,720	5.7	16,828	7.0	12,953	△ 23.0	66,171	7.3	59,959	△ 9.4	56,000	△ 6.6
	Operating income	669	△ 11.6	943	41.0	621	△ 34.2	3,031	7.1	1,117	△ 63.1	1,900	70.1
	Operating income/sales	4.3%		5.6%		4.8%		4.6%		1.9%		3.4%	

* The Quarter Performances of past years in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2008.

* Business segment information(consolidated)



Consolidated	FY2008(1Q) (‘07/4-‘07/6)		FY2009(1Q) (‘08/4-‘08/6)		FY2010(1Q) (‘09/4-‘09/6)		FY2008 (‘07/4-‘08/3)		FY2009 (‘08/4-‘09/3)		FY2010 forecast (‘09/4-‘10/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Paper chemicals business	5,638	6.6	5,740	1.8	4,110	△ 28.4	23,038	3.8	19,737	△ 14.3	17,000	△ 13.9
Speciality chemicals business	7,133	5.2	7,593	6.4	5,999	△ 21.0	30,470	9.6	28,464	△ 6.6	26,500	△ 6.9
Total Basis business	12,772	5.8	13,334	4.4	10,109	△ 24.2	53,509	7.0	48,202	△ 9.9	43,500	△ 9.8
Share	81.2%		79.2%		78.0%		80.9%		80.4%		77.7%	
Photo-Electronic materials business	2,079	10.0	2,377	14.3	2,087	△ 12.2	8,585	10.5	8,281	△ 3.5	9,100	9.9
Functional materials business	794	△ 6.5	1,036	30.4	674	△ 34.9	3,777	4.8	3,167	△ 16.1	3,100	△ 2.1
Total Expansion business	2,874	4.8	3,414	18.8	2,762	△ 19.1	12,362	8.7	11,448	△ 7.4	12,200	6.6
Share	18.3%		20.3%		21.3%		18.7%		19.1%		21.8%	
Others	74	25.6	80	8.2	82	2.3	299	2.0	308	3.0	300	△ 2.9
Total	15,720	5.7	16,828	7.0	12,953	△ 23.0	66,171	7.3	59,959	△ 9.4	56,000	△ 6.6

* The Quarter Performances of past years in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2008.

* Paper chemicals business.....Size agent, Paper strengthening agent, Ratex, etc.

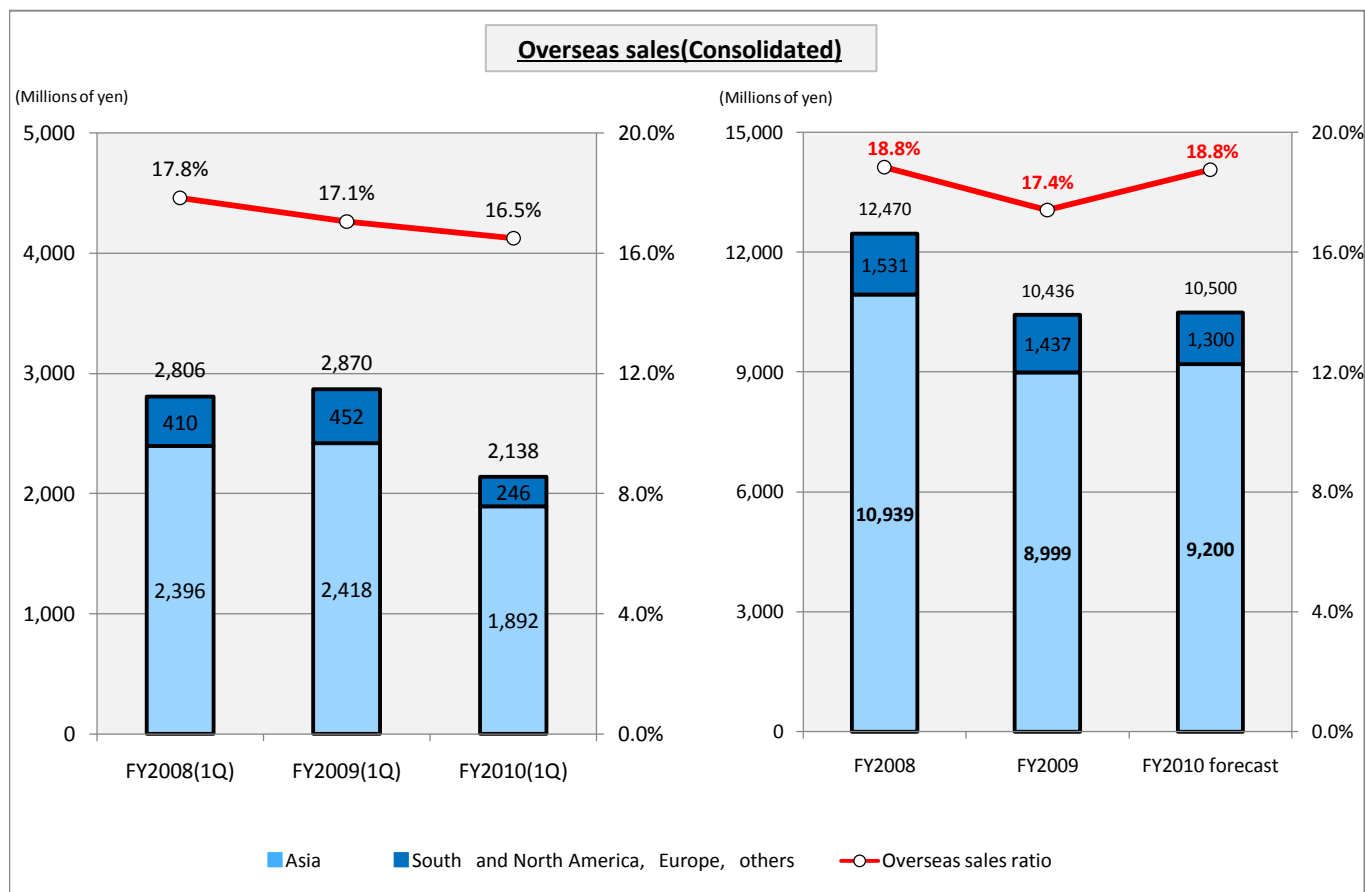
* Speciality chemicals business.....Printing ink resin, Paint resin, Adhesive resin, Polymerization emulsifier, Colorless rosin derivatives, etc.

* Photo-Electronic materials business.....UV/EB curable resin, Compound materials for electronics, Organic/inorganic hybrid resin, etc.

* Functional materials business.....Flux cleaning solvent, Flux cleaning system, Functional fine chemical materials, Solder paste, etc.

* OthersReal estate agent, Insurance business, etc.

*** Overseas sales(Consolidated)**



Consolidated	FY2008(1Q) (‘07/4-‘07/6)		FY2009(1Q) (‘08/4-‘08/6)		FY2010(1Q) (‘09/4-‘09/6)		FY2008 (‘07/4-‘08/3)		FY2009 (‘08/4-‘09/3)		FY2010 forecast (‘09/4-‘10/3)	
	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change	Millions of Yen	%Change
Overseas sales	2,806	9.2	2,870	2.3	2,138	△ 25.5	12,470	11.8	10,436	△ 16.3	10,500	0.6
Overseas sales in Asia	2,396	11.3	2,418	0.9	1,892	△ 21.8	10,939	13.6	8,999	△ 17.7	9,200	2.2
Overseas sales ratio	17.8%		17.1%		16.5%		18.8%		17.4%		18.8%	

* The Quarter Performances of past years in this appendix are for reference purpose only, due to the New Accounting Principles which came into effect in FY2008.

Balance sheets(Consolidated)

(Unit: Millions of yen)

Item	FY2009(1Q)		FY2010(1Q)		FY2009		Increase /Decrease (A)–(B)
	(As of June 30, 2008)		(As of June 30, 2009)		(As of March 31, 2009)		
	Amount	Com- position ratio	Amount(A)	Com- position ratio	Amount(B)	Com- position ratio	
(Assets)		%		%		%	
I Current assets							
1. Cash and deposits	3,701		7,843		6,928		914
2. Notes and accounts receivable-trade	24,408		18,274		17,906		368
3. Merchandise and finished goods	5,437		5,144		5,570	△	426
4. Work in process	604		510		495		14
5. Raw materials and supplies	3,964		3,576		4,608	△	1,032
6. Deferred tax assets	299		305		451	△	145
7. Other	651		655		709	△	54
Allowance for doubtful accounts	△ 116		△ 109		△ 107	△	1
Total Current assets	38,950	61.5	36,200	61.6	36,563	62.5	△ 362
II Noncurrent assets							
1. Property, plant and equipment							
(1) Buildings and structures	6,756		6,523		6,465		57
(2) Machinery, equipment and vehicles	5,155		4,651		4,644		6
(3) Land	5,235		5,270		5,270		0
(4) Construction in progress	425		606		612	△	6
(5) Other	657		697		692		4
Total Property, plant and equipment	18,230	28.8	17,748	30.2	17,686	30.2	62
2. Intangible assets							
(1) Goodwill	54		-		-		-
(2) Other	522		461		460		0
Total Intangible assets	576	0.9	461	0.8	460	0.8	0
3. Investments and other assets							
(1) Investment securities	4,916		3,703		2,935		767
(2) Deferred tax assets	159		164		396	△	232
(3) Other	501		466		497	△	31
Allowance for doubtful accounts	△ 11		△ 8		△ 8	△	0
Total Investments and other assets	5,566	8.8	4,326	7.4	3,821	6.5	504
Total Noncurrent assets	24,372	38.5	22,536	38.4	21,968	37.5	567
Total Assets	63,323	100.0	58,736	100.0	58,531	100.0	204

(Unit: Millions of yen)

Item	FY2009(1Q)		FY2010(1Q)		FY2009		Increase /Decrease (A)–(B)
	(As of June 30, 2008)		(As of June 30, 2009)		(As of March 31, 2009)		
	Amount	Com- position ratio	Amount(A)	Com- position ratio	Amount(B)	Com- position ratio	
(Liabilities)		%		%		%	
I Current liabilities							
1. Notes and accounts payable–trade	12,003		7,478		7,964		△ 486
2. Short-term loans payable	7,380		7,446		7,658		△ 211
3. Income taxes payable	294		175		75		100
4. Accrued consumption taxes	116		147		44		103
5. Provision for bonuses	–		473		–		473
6. Provision for directors' bonuses	9		8		25		△ 17
7. Notes payable–facilities	92		87		83		4
8. Other	3,201		2,200		2,687		△ 486
Total Current liabilities	23,098	36.5	18,018	30.7	18,539	31.7	△ 520
II Noncurrent liabilities							
1. Long-term loans payable	577		2,151		2,489		△ 337
2. Deferred tax liabilities	372		60		–		60
3. Provision for retirement benefits	2,015		2,053		2,039		13
4. Other	267		198		226		△ 27
Total Noncurrent liabilities	3,233	5.1	4,464	7.6	4,755	8.1	△ 291
Total Liabilities	26,332	41.6	22,482	38.3	23,294	39.8	△ 811
(Net assets)							
I Shareholders' equity							
1. Capital stock	3,128		3,128		3,128		–
2. Capital surplus	3,350		3,350		3,350		–
3. Retained earnings	28,245		28,329		28,121		208
4. Treasury stock	△ 10		△ 10		△ 10		△ 0
Total Shareholders' equity	34,712	54.8	34,797	59.2	34,589	59.1	208
II Valuation and translation adjustments							
1. Valuation difference on available-for-sale securities	1,086		515		72		443
2. Foreign currency translation adjustment	△ 86		△ 233		△ 513		280
Total Valuation and translation adjustments	1,000	1.6	282	0.5	△ 440	△ 0.8	723
III Minority interests	1,277	2.0	1,173	2.0	1,088	1.9	84
Total Net assets	36,991	58.4	36,253	61.7	35,237	60.2	1,016
Total Liabilities and net assets	63,323	100.0	58,736	100.0	58,531	100.0	204

Statements of income(Consolidated)

(Unit: Millions of yen)

Item	FY2009(1Q)		FY2010(1Q)		Increase /Decrease		FY2009	
	'08/4-'08/6		'09/4-'09/6				'08/4-'09/3	
	Amount	Ratio	Amount	Ratio	Amount	Rate of change	Amount	Ratio
I Net sales	16,828	100.0	12,953	100.0	△ #####	△ 23.0	59,959	100.0
II Cost of sales	13,238	78.7	9,938	76.7	△ #####	△ 24.9	48,585	81.0
Gross profit	3,590	21.3	3,015	23.3	△ 575	△ 16.0	11,374	19.0
III Selling, general and administrative expenses	2,647	15.7	2,394	18.5	△ 252	△ 9.6	10,257	17.1
Operating income	943	5.6	621	4.8	△ 322	△ 34.2	1,117	1.9
IV Non-operating income								
1. Interest income	3		2				16	
2. Dividends income	46		39				100	
3. Foreign exchange gains	-		41				-	
4. Equity in earnings of affiliates	31		15				86	
5. Other	85	166	75	174	7	4.6	364	567
V Non-operating expenses								
1. Interest expenses	48		50				202	
2. Other	62	110	7	57	△ 53	△ 48.0	189	392
Ordinary income	999	5.9	737	5.7	△ 261	△ 26.1	1,291	2.2
VI Extraordinary income								
1. Gain on sales of noncurrent assets	0		0				282	
2. Gain on sales of investment securities	-		-				5	
3. Reversal of allowance for doubtful accounts	-		0				7	
4. Other	-	0	-	0	0	-	15	310
VII Extraordinary loss								
1. Loss on sales and retirement of noncurrent assets	5		9				52	
2. Loss on valuation of noncurrent assets	-		1				6	
3. Loss on valuation of investment securities	-	5	-	11	5	98.9	260	319
Income before income taxes	993	5.9	726	5.6	△ 266	△ 26.8	1,282	2.2
Income taxes-current	245		167				498	
Income taxes-deferred	219	464	131	298	△ 166	△ 35.8	156	654
Minority interests in income	△ 0	△ 0.0	19	0.1	19	-	△ 29	△ 0.0
Net income	528	3.1	409	3.2	△ 119	△ 22.6	657	1.1

Statements of cash flows (Consolidated)

(Unit: Millions of yen)

Item	FY2009(1Q)	FY2010(1Q)	Increase /Decrease	FY2009
	'08/4-'08/6	'09/4-'09/6		'08/4-'09/3
	Amount	Amount		Amount
I Net cash provided by (used in) operating				
Income before income taxes	993	726	△ 266	1,282
Depreciation and amortization	503	503	△ 0	2,183
Amortization of goodwill	54	—	△ 54	108
Increase (decrease) in allowance for doubtful accounts	1	0	△ 0	△ 6
Increase (decrease) in provision for bonuses	—	473	473	—
Increase (decrease) in provision for directors' bonuses	△ 30	△ 17	13	△ 14
Increase (decrease) in provision for retirement benefits	3	12	9	33
Loss (gain) on valuation of investment securities	—	—	—	260
Loss (gain) on sales and retirement of noncurrent assets	5	9	3	△ 229
Interest and dividends income	△ 49	△ 41	7	△ 117
Interest expenses	48	50	1	202
Equity in (earnings) losses of affiliates	△ 31	△ 15	16	△ 86
Decrease (increase) in notes and accounts receivable—trade	△ 240	△ 254	△ 14	6,079
Decrease (increase) in inventories	405	1,605	1,199	△ 556
Increase (decrease) in notes and accounts payable—trade	△ 61	△ 519	△ 457	△ 3,962
Other, net	△ 310	△ 393	△ 82	△ 766
Subtotal	1,291	2,139	847	4,411
Interest and dividends income received	94	92	△ 1	158
Interest expenses paid	△ 41	△ 45	△ 3	△ 200
Income taxes paid	△ 608	△ 59	548	△ 1,108
Net cash provided by (used in) operating activities	735	2,126	1,391	3,261
II Net cash provided by (used in) investment activities				
Decrease (increase) in time deposits	△ 20	—	20	△ 45
Purchase of property, plant and equipment	△ 139	△ 302	△ 162	△ 1,520
Proceeds from sales of property, plant and equipment	0	1	0	370
Purchase of investment securities	△ 16	△ 4	12	△ 70
Purchase of intangible assets	△ 1	△ 7	△ 5	△ 41
Purchase of investments in capital of subsidiaries	△ 173	—	173	△ 173
Decrease (increase) in other investments	△ 4	0	4	△ 4
Other, net	△ 189	0	189	△ 371
Net cash provided by (used in) investment activities	△ 544	△ 312	232	△ 1,858
III Net cash provided by (used in) financing activities				
Net increase (decrease) in short-term loans payable	△ 101	△ 644	△ 542	363
Proceeds from long-term loans payable	—	—	—	2,200
Repayment of long-term loans payable	△ 61	△ 96	△ 34	△ 384
Purchase of treasury stock	△ 0	△ 0	0	△ 0
Cash dividends paid	△ 261	△ 201	60	△ 513
Cash dividends paid to minority shareholders	—	—	—	△ 20
Net cash provided by (used in) financing activities	△ 425	△ 941	△ 516	1,645
IV Effect of exchange rate change on cash and cash equivalents	△ 64	40	104	△ 146
V Net increase (decrease) in cash and cash equivalents	△ 299	912	1,212	2,901
VI Cash and cash equivalents, Beginning of term	3,911	6,812	2,901	3,911
VII Cash and cash equivalents, End of term	3,611	7,725	4,113	6,812