

Consolidated Financial Results for the Year Ended March 31, 2010

(April 1, 2009 to March 31, 2010)

* All amounts are rounded down to the nearest million yen.

1. Consolidated Financial Results for the Year Ended March 31, 2010

(April 1, 2009 to March 31, 2010)

(1) Operating results

(¥ million)

	Net sales		Operating income		Ordinary income		Net income	
Year ended March 31, 2010	¥154,623	(15.3)%	¥3,381	51.3%	¥2,447	134.9%	¥466	—%
Year ended March 31, 2009	182,584	(5.5)	2,234	(76.6)	1,042	(89.4)	(3,897)	—

	Earnings per share (¥)		Return on equity	Ordinary income to total assets	Operating income to net sales
	Basic	Diluted			
Year ended March 31, 2010	¥2.20	¥—	0.4%	1.1%	2.2%
Year ended March 31, 2009	(18.37)	—	(3.4)	0.5	1.2

Notes: Percentage figures for net sales, operating income, ordinary income and net income represent year-on-year comparisons.

(2) Financial position

(¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of March 31, 2010	¥215,507	¥112,179	51.9%	¥526.99
As of March 31, 2009	220,398	108,775	49.2	510.94

(3) Cash flows

(¥ million)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Year ended March 31, 2010	¥19,410	¥(6,837)	¥(7,080)	¥19,120
Year ended March 31, 2009	10,991	(16,486)	7,039	13,449

2. Dividends

	Dividends per share (¥)					Total dividends (full year) (¥ million)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1Q	2Q	3Q	4Q	Full year			
Year ended March 31, 2009	—	¥6.00	—	¥4.00	¥10.00	¥2,123	—%	1.8%
Year ended March 31, 2010	—	3.00	—	3.00	6.00	1,273	272.7	1.2
Year ending March 31, 2011 (forecast)	—	3.00	—	3.00	6.00	—	—	—

3. Consolidated Financial Forecasts for the Year Ending March 31, 2011

(April 1, 2010 to March 31, 2011)

(¥ million)

	Net sales		Operating income		Ordinary income		Net income		Earnings per share (¥)
First half	¥ 75,000	3.7%	¥2,000	51.7%	¥1,900	329.6%	¥1,200	—%	¥ 5.66
Full year	160,000	3.5	6,300	86.3	6,000	145.1	3,900	735.4	18.39

Notes: Percentage figures represent changes from the same period in the previous year.

Cautionary note regarding forward-looking statements:

The above forecasts are based on data available as of the date of release of this document as well as assumptions based on uncertain factors, which might have a material effect on the Company's performance in the future.

Consolidated Balance Sheets

As of March 31	Millions of yen	
	2009	2010
Assets		
Current assets:		
Cash and deposits	¥ 13,603	¥ 19,278
Notes and accounts receivable - trade	38,935	40,591
Merchandise and finished goods	23,344	21,048
Work in process	2,090	1,116
Raw materials and supplies	11,144	8,288
Deferred tax assets	1,601	1,430
Others	2,517	1,984
Allowance for doubtful accounts	(527)	(280)
Total current assets	92,709	93,456
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures	84,606	87,014
Accumulated depreciation	(59,891)	(61,643)
Buildings and structures, net	24,714	25,371
Machinery, equipment and vehicles	198,129	202,615
Accumulated depreciation	(165,833)	(171,731)
Machinery, equipment and vehicles, net	32,296	30,883
Land	23,957	23,826
Construction in progress	5,911	1,044
Others	20,206	20,461
Accumulated depreciation	(17,181)	(17,805)
Others, net	3,025	2,656
Total property, plant and equipment	89,906	83,782
Intangible assets:		
Goodwill	929	773
Others	2,663	2,174
Total intangible assets	3,593	2,948
Investments and other assets:		
Investments securities	26,464	30,784
Long-term loans receivable	133	105
Deferred tax assets	4,777	1,653
Others	3,324	3,231
Allowance for doubtful accounts	(510)	(455)
Total investments and other assets	34,189	35,320
Total noncurrent assets	127,689	122,050
Total assets	¥220,398	¥215,507

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

As of March 31	Millions of yen	
	2009	2010
Liabilities		
Current liabilities:		
Notes and accounts payable - trade	¥ 17,455	¥15,290
Short-term loans payable	32,479	33,999
Current portion of bonds	20,000	—
Income taxes payable	971	1,397
Accrued expenses	7,302	7,574
Deferred tax liabilities	9	—
Provision for bonuses	1,300	1,337
Others	8,644	8,058
Total current liabilities	88,162	67,657
Noncurrent liabilities:		
Bonds payable	400	400
Long-term loans payable	4,108	17,162
Deferred tax liabilities	137	39
Provision for retirement benefits	10,249	9,126
Provision for directors' retirement benefits	196	106
Provision for special repairs	7,566	8,097
Provision for environmental measures	180	180
Others	620	556
Total noncurrent liabilities	23,460	35,669
Total liabilities	111,623	103,327
Net assets		
Shareholders' equity:		
Capital stock	18,168	18,168
Capital surplus	8,117	8,117
Retained earnings	84,806	83,597
Treasury stock	(1,694)	(1,729)
Total shareholders' equity	109,397	108,153
Valuation and translation adjustments:		
Valuation difference on available-for-sale securities	2,864	7,038
Deferred gain or loss on hedges	(77)	—
Foreign currency translation adjustments	(3,788)	(3,443)
Total valuation and translation adjustments	(1,001)	3,594
Minority interests	378	431
Total net assets	108,775	112,179
Total liabilities and net assets	¥220,398	¥215,507

Consolidated Statements of Operations

Years ended March 31	Millions of yen	
	2009	2010
Net sales	¥182,584	¥154,623
Cost of sales	142,529	117,629
Gross profit	40,055	36,993
Selling, general and administrative expenses	37,820	33,612
Operating income	2,234	3,381
Non-operating income:		
Interest income	48	13
Dividend income	700	373
Foreign exchange gain	—	44
Rental income	457	389
Gain on sale of supplies	546	705
Others	988	1,037
Total non-operating income	2,741	2,563
Non-operating expenses:		
Interest expenses	663	529
Loss on suspension of plant operations	—	1,413
Loss on disposal of noncurrent assets	940	649
Foreign exchange loss	186	—
Loss on settlement of derivatives	467	—
Equity in loss of affiliates	687	162
Provision of allowance for doubtful accounts	—	23
Others	987	720
Total non-operating expenses	3,934	3,497
Ordinary income	1,042	2,447
Extraordinary income:		
Gain on adjustment for changes of accounting standard for construction contracts	—	54
Gain on sale of noncurrent assets	—	56
Gain on sale of investment securities	44	632
Reversal of allowance for doubtful accounts	—	174
Reversal of provision for business structure improvements	34	—
Reversal of provision for special repairs	99	—
Total extraordinary income	178	918
Extraordinary loss:		
Loss on sale of noncurrent assets	—	6
Loss on sale of investment securities	51	222
Loss on valuation of investment securities	718	355
Loss on valuation of golf club memberships	4	8
Impairment loss	2,214	74
Others	318	—
Total extraordinary loss	3,307	667
Income (loss) before income taxes and minority interests	(2,086)	2,698
Income taxes:		
Current	1,543	1,644
Deferred	240	510
Total income taxes	1,783	2,155
Minority interests	27	76
Net income (loss)	¥ (3,897)	¥ 466

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

Consolidated Statements of Changes in Net Assets

Years ended March 31	Millions of yen	
	2009	2010
Shareholders' equity		
Capital stock:		
Balance at end of previous year	¥ 18,168	¥ 18,168
Changes during year		
Total changes during year	—	—
Balance at end of year	18,168	18,168
Capital surplus:		
Balance at end of previous year	8,117	8,117
Changes during year		
Total changes during year	—	—
Balance at end of year	8,117	8,117
Retained earnings:		
Balance at end of previous year	92,226	84,806
Effect of changes in accounting policies applied to foreign subsidiaries	(969)	—
Changes during year		
Dividends from surplus	(2,546)	(1,485)
Net income (loss)	(3,897)	466
Changes in scope of consolidation	—	(189)
Disposal of treasury stock	(6)	(1)
Total changes during year	(6,450)	(1,209)
Balance at end of year	84,806	83,597
Treasury stock:		
Balance at end of previous year	(1,689)	(1,694)
Changes during year		
Purchase of treasury stock	(19)	(38)
Disposal of treasury stock	13	3
Total changes during year	(5)	(34)
Balance at end of year	(1,694)	(1,729)
Total shareholders' equity:		
Balance at end of previous year	116,823	109,397
Effect of changes in accounting policies applied to foreign subsidiaries	(969)	—
Changes during year		
Dividends from surplus	(2,546)	(1,485)
Net income (loss)	(3,897)	466
Changes in scope of consolidation	—	(189)
Purchase of treasury stock	(19)	(38)
Disposal of treasury stock	6	1
Total changes during year	(6,456)	(1,243)
Balance at end of year	¥109,397	¥108,153

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

Years ended March 31	Millions of yen	
	2009	2010
Valuation and translation adjustments		
Valuation difference on available-for-sale securities:		
Balance at end of previous year	¥ 7,964	¥ 2,864
Changes during year		
Net changes in items other than shareholders' equity	(5,099)	4,173
Total changes during year	(5,099)	4,173
Balance at end of year	2,864	7,038
Deferred gain or loss on hedges:		
Balance at end of previous year	(4)	(77)
Changes during year		
Net changes in items other than shareholders' equity	(72)	77
Total changes during year	(72)	77
Balance at end of year	(77)	—
Foreign currency translation adjustments:		
Balance at end of previous year	(1,324)	(3,788)
Changes during year		
Net changes in items other than shareholders' equity	(2,463)	344
Total changes during year	(2,463)	344
Balance at end of year	(3,788)	(3,443)
Total valuation and translation adjustments:		
Balance at end of previous year	6,634	(1,001)
Changes during year		
Net changes in items other than shareholders' equity	(7,636)	4,595
Total changes during year	(7,636)	4,595
Balance at end of year	(1,001)	3,594
Minority interests:		
Balance at end of previous year	468	378
Effect of changes in accounting policies applied to foreign subsidiaries	(3)	—
Changes during year		
Net changes in items other than shareholders' equity	(86)	53
Total changes during year	(86)	53
Balance at end of year	378	431
Total net assets:		
Balance at end of previous year	123,926	108,775
Effect of changes in accounting policies applied to foreign subsidiaries	(972)	—
Changes during year		
Dividends from surplus	(2,546)	(1,485)
Net income (loss)	(3,897)	466
Changes in scope of consolidation	—	(189)
Purchase of treasury stock	(19)	(38)
Disposal of treasury stock	6	1
Net changes in items other than shareholders' equity	(7,722)	4,648
Total changes during year	(14,178)	3,404
Balance at end of year	¥108,775	¥112,179

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

Consolidated Statements of Cash Flows

Years ended March 31	Millions of yen	
	2009	2010
Cash flows from operating activities:		
Income (loss) before income taxes and minority interests	¥ (2,086)	¥ 2,698
Depreciation and amortization	13,942	14,123
Impairment loss	2,214	74
Amortization of goodwill	262	258
Increase (decrease) in provision	665	(988)
Interest and dividends income	(749)	(386)
Interest expenses	663	529
Equity in (earning) loss of affiliates	687	162
Loss (gain) on valuation of investment securities	718	355
Loss (gain) on sale of investment securities	7	(410)
Loss (gain) on sale of noncurrent assets	3	(60)
Loss on disposal of noncurrent assets	940	649
Loss on valuation of golf club memberships	4	8
Decrease (increase) in notes and accounts receivable - trade	7,565	(1,360)
Decrease (increase) in inventories	(6,772)	6,253
Increase (decrease) in notes and accounts payable - trade	(3,693)	(2,124)
Increase (decrease) in accrued consumption taxes	268	315
Increase (decrease) in accrued expenses	(1,974)	267
Others	85	519
Subtotal	12,753	20,885
Interest and dividends received	749	386
Interest paid	(608)	(570)
Income taxes paid	(1,902)	(1,291)
Net cash provided by operating activities	10,991	19,410
Cash flows from investing activities:		
Payments into time deposits	(134)	(200)
Proceeds from withdrawal of time deposits	35	200
Purchase of property, plant and equipment	(14,643)	(8,254)
Proceeds from sale of property, plant and equipment	72	157
Purchase of investment securities	(435)	(614)
Proceeds from sale of investment securities	304	2,635
Proceeds from liquidation of subsidiaries and affiliates	3	—
Others	(1,687)	(762)
Net cash used in investing activities	(16,486)	(6,837)
Cash flows from financing activities:		
Increase (decrease) in short-term loans payable	8,861	543
Proceeds from long-term loans payable	1,593	18,000
Repayment of long-term loans payable	(796)	(4,068)
Redemption of bonds	—	(20,000)
Purchase of treasury stock	(19)	(38)
Cash dividends paid	(2,546)	(1,485)
Cash dividends paid to minority shareholders	(59)	(31)
Others	6	(0)
Net cash provided by (used in) financing activities	7,039	(7,080)
Effect of exchange rate changes on cash and cash equivalents	(399)	54
Net increase (decrease) in cash and cash equivalents	1,144	5,547
Cash and cash equivalents at beginning of year	12,304	13,449
Increase (decrease) in cash and cash equivalents resulting from changes in scope of consolidation	—	123
Cash and cash equivalents at end of year	¥ 13,449	¥ 19,120

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

Segment Information

Business segment information

(¥ million)

	Year ended March 31, 2009					Year ended March 31, 2010				
	Glass	Chemicals	Total	Eliminations	Consolidated	Glass	Chemicals	Total	Eliminations	Consolidated
Net sales:										
Outside customers	¥ 96,570	¥ 86,013	¥182,584	¥ —	¥182,584	¥ 77,144	¥ 77,479	¥154,623	¥ —	¥154,623
Intersegment	5,157	2,433	7,590	(7,590)	—	2,010	1,432	3,442	(3,442)	—
Total	101,727	88,446	190,174	(7,590)	182,584	79,154	78,911	158,065	(3,442)	154,623
Operating expenses	107,912	80,038	187,951	(7,601)	180,349	83,062	71,630	154,692	(3,451)	151,241
Operating income (loss)	(6,184)	8,408	2,223	10	2,234	(3,907)	7,280	3,372	8	3,381
Total assets:	104,534	116,204	220,738	(339)	220,398	101,025	114,804	215,829	(322)	215,507
Depreciation and amortization	6,186	7,755	13,942	—	13,942	5,711	8,411	14,123	—	14,123
Impairment loss	1,239	974	2,214	—	2,214	69	5	74	—	74
Capital expenditures	4,418	9,901	14,319	—	14,319	3,545	4,710	8,255	—	8,255

Geographical segment information

(¥ million)

	Year ended March 31, 2009					Year ended March 31, 2010				
	Japan	Other areas	Total	Eliminations	Consolidated	Japan	Other areas	Total	Eliminations	Consolidated
Net sales:										
Outside customers	¥166,286	¥16,297	¥182,584	¥ —	¥182,584	¥141,068	¥13,554	¥154,623	¥ —	¥154,623
Intersegment	2,042	283	2,326	(2,326)	—	1,992	623	2,615	(2,615)	—
Total	168,329	16,581	184,910	(2,326)	182,584	143,061	14,177	157,239	(2,615)	154,623
Operating expenses	166,104	16,578	182,683	(2,333)	180,349	138,851	15,026	153,878	(2,636)	151,241
Operating income	2,224	3	2,227	6	2,234	4,209	(848)	3,361	20	3,381
Total assets:	¥225,498	¥13,451	¥238,950	¥(18,551)	¥220,398	¥221,748	¥12,957	¥234,706	¥(19,198)	¥215,507

Overseas sales

(¥ million)

	Year ended March 31, 2009					Year ended March 31, 2010				
	North America	Asia	Europe	Other areas	Total	North America	Asia	Europe	Other areas	Total
Overseas sales:	¥17,600	¥7,828	¥12,868	¥1,694	¥ 39,991	¥14,908	¥8,135	¥12,223	¥1,387	¥ 36,653
Consolidated net sales:	—	—	—	—	¥182,584	—	—	—	—	¥154,623
Ratio of overseas sales to consolidated sales:	9.6%	4.3%	7.1%	0.9%	21.9%	9.6%	5.3%	7.9%	0.9%	23.7%

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