Consolidated Business Results for FY2009

May 13, 2009

Name of listed company: DAICEL CHEMICAL INDUSTRIES, LTD. Stock Exchange: Tokyo and Osaka

Code number: 4202

(URL http://www.daicel.co.jp)

Representative: Name: Daisuke Ogawa Title: President and CEO

Scheduled date for shareholders' meeting: June 26, 2009

Scheduled date for submitting financial statements: June 29, 2009

Scheduled date for dividend payment: June 29, 2009

(Figures are rounded down to the nearest million)

1. Consolidated Business Results for FY2009 (April 1, 2008 to March 31, 2009)

Net Sales

(1)Consolidated Operating Results

(% implies the rate of increase/ decrease year on year)					
Ordinary income		Net income			
Millions of Yen	%	Millions of Yen	%		
8,214	(70.5)	1,296	(90.5)		

FY2009 FY2008	377,979 416,989	(9.4)	10,589 32,163	(67.1) (11.6)	8,214 27,864	(70.5) (19.8)	1,296 13,675
<u> </u>	1						
	Net income per share	Net income per share	Current	net	Current net	Current net	

Operating income

	Net income per share	Net income per share after latent share adjustment	Current net income/capital equity	Current net income/total assets	Current net income/net sales
	Yen		%	%	%
FY2009	3.62	-	0.6	1.7	2.8
FY2008	37.86	-	6.4	5.2	7.7

(Note) Equity in earning of affiliated companies: 710 million yen for FY2009; 584 million yen for FY2008.

(2)Consolidated Financial Position

	Total assets	Net assets	Shareholder's equity per total assets	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2009	445,911	211,487	42.3	530.43
FY2008	515,617	239,147	41.4	593.54

(Note) Equity capital: 188,807 millions for FY2009, 213,340 millions yen for FY2008

(3)Cousolidated Statement of Cash Flow

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalent at end of year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2009	40,165	(24,401)	(2,422)	30,507
FY2008	49,275	(43,140)	243	20,740

2. Status of distribution

2. Status of distribution								
		Cash c	lividends pe	r share		Total dividend	Divident ratio	Net asset dividend rate
(Reference data)	1st quarter	2nd quarter	3rd quarter	4th quarter	Full year	(Year)	(Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Million of Yen	%	%
FY2008	_	4.00	_	4.00	8.00	2,884	21.1	1.3
FY2009	-	4.00	_	4.00	8.00	2,861	221.0	1.4
FY2010(forecasts)	_	4.00	_	4.00	8.00		63.3	

3. Forecast results for FY2010 (April 1, 2009 to March 31, 2010)

(Note: % for full year and interim term implies the rate of increase/decrease year-on-year and term-on-term, respectively)

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	Net sales		Operating inc	ome	Ordinary inco	me	Net incom	ie	Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1st half, FY2010	141,000	(32.6)	(1,000)	_	(2,000)	_	(2,500)	_	(7.02)
Full FY2010	305,000	(19.3)	11,000	3.9	9,000	9.6	4,500	347.1	12.64

(Note) Revise of consolidated forecast: Applied

4. Others

- (1) Changes to major subsidiaries during the term (changes to subsidiaries during the current fiscal year, accompanied by the scope of the consolidation): NA
- (2) Change to accounting principles, procedures, and presentation when preparing consolidated financial statements
 - (changes to Fundamental Information for Preparing Consolidated Interim Financial Statement)
 - i A. Changes accompanying the revision of accounting standards: Applied
 - ii Change other than A: Applied
- (3) Number of shares issued (common share)
 - i The number of shares issued at the end of the fiscal year (including own shares)
 - FY2009 364,942,682shares FY2008 364,942,682shares
 - ii The number of own shares

FY2009 8,987,467 shares FY2008 5,501,956 shares

iii The average number of shares (during the term)

FY2009 358,260,876shares FY2008 361,213,634shares

1. Non-consolidated Business Results for FY2009 (April 1, 2008 to March 31 , 2009)

(1)Non-consolidated Operating Results

(% implies the rate of increase/decrease year-on-year)

	Net Sales		Operating income		Ordinary incom	ıe	Net income		
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	
FY2009	205,955	(11.0)	(241)	-	(4,144)	_	(7,495)	_	
FY2008	231,333	8.4	14,447	(26.2)	16,990	(27.6)	10,923	(52.2)	

	Net income per share	Net income per share after latent share adjustment
FY2009	Yen (20.92)	
FY2008	30.24	_

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholder's equity per total assets	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2009	293,780	157,933	53.8	443.69
FY2008	367,637	179,652	48.9	499.81

(Note) Equity capital: 157,933 millions for FY2009, 179,652 millions yen for FY2008

3. Forecast results for FY2010 (April 1, 2009 to March 31, 2010)

(Note: % for full year and interim term implies the rate of increase/decrease year-on-year and term-on-term, respectively)

	Net sales		Operating inc	come	Ordinary inc	ome	Net income		Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1st half, FY2010	83,500	(30.5)	1,000	(89.0)	500	(94.9)	(1,500)	_	(4.21)
Full FY2010	180,000	(12.6)	6,500	-	6,500	_	2,000	-	5.62

Notes: Explanations or other items pertaining to appropriate use of operating result forecast

The operating results forecasts and certain other statements contained in this document are forward-looking statements, which are rationally determined based on information currently available to the company. For a variety of reasons, actual performance may differ substantially from these projections.

5. Financial Statement for FY2009(1) Consolidated Balance Sheet for Full FY2009

(1) Consolidated Balance Sheet for Full FY2009		(Unit: Millions of Yen)
	Full FY2008	Full FY2009
	(As of March 31, 2008)	(As of March 31, 2009)
Assets		
Current assets		
Cash and deposits	20,754	30,522
Notes and accounts receivable-trade	90,547	59,733
Short-term investment securities	25	25
Inventories	73,298	75,984
Deferred tax assets	3,838	6,019
Account receivable for expropriation	5,880	-
Other	13,704	13,400
Allowance for doubtful accounts	(215)	(141)
Total current assets	207,833	185,546
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	50,775	52,512
Machinery, equipment and vehicles, net	96,552	102,269
Tools, furniture and fixtures, net	3,790	3,364
Land	26,873	26,486
Construction in progress	44,910	11,706
Total property, plant and equipment	222,901	196,340
Intangible assets	5,369	3,899
Investments and other assets		
Investment securities	63,148	43,211
Deferred tax assets	1,190	1,758
Other	15,447	15,395
Allowance for doubtful accounts	(273)	(240)
Total investments and other assets	79,512	60,125
Total noncurrent assets	307,783	260,365
Total assets	515,617	445,911

	Full FY2008	Full FY2008
T · 1 ·1···	(As of March 31, 2008)	(As of March 31, 2008)
Liabilities		
Current liabilities	50 500	00 471
Notes and accounts payable-trade	58,530	33,471
Current portion of bonds	10,000	10,000
Short-term loans payable	32,285	56,683
Current portion of long-term loans payable	25,804	26,450
Lease obligations	_	29
Income taxes payable	4,537	1,199
Provision for repairs	128	2,705
Other	26,943	20,618
Total current liabilities	158,230	151,157
Noncurrent liabilities		
Bonds payable	20,000	10,000
Long-term loans payable	77,168	59,468
Lease obligations	_	72
Deferred tax liabilities	11,370	4,381
Provision for retirement benefits	8,001	8,705
Provision for directors' retirement benefits	221	116
Provision for repairs	957	46
Other	519	474
Total noncurrent liabilities	118,239	83,266
Total liabilities	276,469	234,424
Total habilities	210,409	234,424
Net assets Shareholders' equity		
Capitalstock	36,275	36,275
Capital surplus	31,577	31,576
Retained earnings	123,758	122,347
Treasury stock	(2,675)	(4,077)
Total shareholders' equity	188,935	186,122
Valuation and translation adjustments	100,000	100,122
Valuation difference on available-for-sale securities	20,807	9,150
Deferred gains or losses on hedges	(102)	(193)
Foreign currency translation adjustment	3,699	(6,270)
Total valuation and translation adjustments	24,404	2.685
Minority interests	25,806	22,679
Total net assets	239,147	211,487
Total liabilities and net assets	515,617	445,911

(2) Consolidated Income Statement for FY2009		(Unit: Millions of Yen)
-	FY2008	FY2009
	(April 1 2007 to March 31, 2008)	(April 1 2008 to March 31, 2009)
Net Sales	416,989	377,979
Cost of sales	327,018	313,115
Gross profit	89,971	64,863
Selling, general and administrative expenses	57,807	54,274
Operating Income	32,163	10,589
Non-operating income		
Interest income	534	399
Dividends income	854	1,204
Equity in earnings of affiliates	584	710
Miscellaneous income	1,530	1,112
Total non-operating income	3,503	3,426
Non-operating expenses		
Interest expenses	3,477	2,864
Loss on abandonment of inventories	1,289	_
Foreign exchange loss	1,626	1,231
Miscellaneous expenses	1,409	1,704
Total non-operating expenses	7,802	5,801
Ordinary income	27,864	8,214
Extraordinary income		
Gain on disposal of noncurrent assets	167	18
Gain on sales of investment securities	180	32
Gain on sales of subsidiaries and affiliates' stocks	1,457	_
Subsidy	1,000	1,233
Reversal of deferred gain from expropriation	16,833	_
Other extraordinary income	244	<u> </u>
Total extraordinary income	19,883	1,283
Extraordinary loss		
Loss on retirement of noncurrent assets	2,164	1,970
Impairment loss	213	79
Loss on reduction of noncurrent assets	17,833	813
Loss on valuation of investment securities	_	363
Provision for directors' retirement benefits	198	_
Other extraordinary loss	193	<u> </u>
Total extraordinary losses	20,603	3,226
Income before income taxes and minority interests	27,145	6,271
Income tax -current	8,447	3,149
Income tax-deferred	1,921	(359)
Total income taxes	10,369	2,790
Minority interests in income	3,099	2,184
Net income	13,675	1,296

Net mash provided by Guest in operating activities Capril 1 2007 to March 31, 2009 Capril 2 2008 to March 32, 2009 Net mash provided by Guest in operating activities Capril 2 2007 to March 31, 2009 Capril 2 2008 to March 32, 2009 Income before income taxes and minority interests 22,145 6,271 Depreciation and amoritation 29,576 39,674 Impariment Incs 213 79 Interest caproses 3,477 2,864 Equity in Gearnings) losses of affiliates 3,477 2,864 Equity in Gearnings) losses of affiliates 16,700 16,833 17,000 Loss on retirement of noncurrent assets 11,783 18,13 Loss on retirement of noncurrent assets 2,164 1,970 Loss on retirement of noncurrent assets 17,833 813 Neversal of deferred sain from expropriation 16,833 Equity in Gearnings) losses of subsidiaries and affiliates 0,1000 0,1233 Neversal of deferred sain from expropriation 16,833 - Decrease (increase) in inotes and accounts receivable-trade 0,000 0,1233 Decrease (increase) in inotes and accounts psyable-trade 0,000 0,1233 Decrease (increase) in inotes and accounts psyable-trade 0,360 0,465 Decrease (increase) in inotes and accounts psyable-trade 0,367 0,206 Other, net 0,360 0,367 0,2977 Increase (decrease) in inotes and accounts psyable-trade 0,367 0,2977 Increase (aperase) in one received 1,426 0,367 0,2977 Increase (aperase) in one received 0,367 0,3677 0,2977 Increase (aperase) in one received 0,468 0,367 0,2977 Increase (aperase) in one received 0,468 0,367 0,2977 Increase (aperase) in one received 0,468 0,367 0,3677 Purchase of investment activities 0,560 0,367 0,367 Purchase of investment activities 0,560 0,367 0,367 Purchase of investment six subsidiaries 0,580 0,367 0,367 Purchase of investment is subsidiaries 0,580 0,367 0,367 0,367 0,367 Purchase of investment six exprepatition 0,580 0,367	(3) Consolidated Statement of Cash Flow for F12009		(Unit: Millions of Yen)
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Loss on reduction of noncurrent assets 17,833 8.13	•		
Reversal of deferred gain from expropriation			
Loss (gain) on sales of stocks of subsidiaries and affiliates			813
Subsidy income			_
Decrease (increase) in notes and accounts receivable—trade 2,076 (20,048)	-		(1,000)
Decrease (increase) in inventories	•		
Increase (decrease) in notes and accounts payable-trade			
Other, net (4,286) 4,265 Subtotal 61,522 48,414 Interest and dividends income received 2,194 2,307 Interest expenses paid (10,934) (7,628) Net cash provided by (used in) operating activities 49,275 40,165 Net cash provided by (used in) investment activities 49,275 40,165 Net cash provided by (used in) investment activities 49,275 40,165 Net cash provided by (used in) investment activities 49,275 40,165 Net cash provided by (used in) investment activities 49,275 40,165 Net cash provided by (used in) investment activities 49,275 40,165 Net cash provided by (used in) investment activities (606) (735) Purchase of investment securities (953) (998) Proceeds from sales of investment in subsidiaries 1,093 77 Proceeds from sales and redemption of investment securities 1,093 77 Proceeds from sales and redemption of investment securities 1,093 77 Proceeds from sales of investment securities 2,169 1,817 <t< td=""><td></td><td></td><td></td></t<>			
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Net increase (decrease) in cash and cash equivalents 6,633 9,801 Cash and cash equivalents at beginning of period 13,958 20,740 Increase in cash and cash equivalents from newly consolidated subsidiary Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation (0) (33)			
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Increase in cash and cash equivalents from newly consolidated subsidiary Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation (0) (33)			·
subsidiary Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation (0) (33)		13,958	20,740
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation (0) (33)		149	_
subsidiaries from consolidation (0) (33)	· ·	of (a)	(22)
Cash and cash equivalents at the end of period 20,740 30,507	subsidiaries from consolidation	(0)	
	Cash and cash equivalents at the end of period	20,740	30,507

(4) Segment information

(4)-a. Business segment information

Capital investments

7,169

6,245

6,431

3,750

258

23,855

(1) a. Daomese segment n	normation				s of Yen			
				April 1 2007 –	March 31 2008			
	Cellulosic derivatives	Organic chemicals	Plastics and films	Pyrotechnic devices	Functional Products and others	Total	Corporate and eliminations	Consolidated
I Sales and Operating	income							
Sales								
(1) Outside customers	72,466	101,245	171,336	65,375	6,565	416,989	_	416,989
(2) Intersegment sales	2,851	16,947	22	_	12,348	32,170	(32,170)	_
Total	75,318	118,193	171,359	65,375	18,913	449,159	(32,170)	416,989
Operating expense	67,055	106,532	157,047	59,748	18,353	408,737	(23,911)	384,825
Operating income	8,262	11,660	14,311	5,627	559	40,422	(8,258)	32,163
II Total asset, Depreci	•		•					
Total asset	126,434	91,034	150,113	67,789	7,981	443,353	72,264	515,617
Depreciation	7,854	7,589	7,008	5,087	361	27,901	752	28,653
Impairment loss		113	100	_	_	213	_	213
Capital investments	23,356	9,935	6,776	9,330	278	49,678	672	50,350
				Millions	s of Yen			
			F		March 31 2009			
	Cellulosic derivatives	Organic chemicals	Plastics and films	Pyrotechnic devices	Functional Products and others	Total	Corporate and eliminations	Consolidated
I Sales and Operating	income							
Sales								
(1) Outside customers	72,368	91,057	148,149	59,984	6,419	377,979	_	377,979
(2) Intersegment sales	2,901	15,988	4	_	10,979	29,874	(29,874)	_
Total	75,270	107,046	148,154	59,984	17,398	407,853	(29,874)	377,979
Operating expense	73,067	102,343	140,171	57,321	16,786	389,690	(22,300)	367,390
Operating income	2,203	4,702	7,982	2,662	612	18,163	(7,573)	10,589
Ⅱ Total asset, Depreci	ation, Impairme	ent loss and Ca	apital investm	ents				
Total asset	107,953	76,040	132,823	50,593	7,338	374,749	71,162	445,911
Depreciation	16,553	8,361	7,429	5,158	366	37,870	708	38,579
Impairment loss	-	-	-	-	_	_	79	79

(4)-b. Geographic segment information

_	Millions of Yen						
	April 1 2007 - March 31 2008						
_		Corporate					
	Japan	Asia	Other	Total	and	Consolidated	
					eliminations		
I Sales and Operating	I Sales and Operating income						
Sales							
(1) Outside customers	309,609	76,115	31,264	416,989	_	416,989	
(2) Intersegment sales	50,205	13,324	3,297	66,827	(66,827)	_	
Total	359,814	89,440	34,561	483,817	(66,827)	416,989	
Operating expense	328,961	80,803	33,630	443,394	(58,569)	384,825	
Operating income	30,853	8,636	931	40,422	(8,258)	32,163	
II Total asset	348,517	84,997	29,449	462,963	52,653	515,617	

_	Millions of Yen					
<u>-</u>	April 1 2008 - March 31 2009					
_					Corporate	
	Japan	Asia	Other	Total	and	Consolidated
					eliminations	
I Sales and Operating	income					
Sales						
(1) Outside customers	277,757	68,892	31,329	377,979	_	377,979
(2) Intersegment sales	40,189	15,072	2,469	57,731	(57,731)	_
Total	317,947	83,964	33,799	435,711	(57,731)	377,979
Operating expense	308,372	75,228	33,948	417,548	(50,158)	367,390
Operating income	9,575	8,736	(148)	18,163	(7,573)	10,589
II Total asset	303,433	66,160	21,378	390,972	54,938	445,911

(4)-c. Overseas sales information

(-, -: -: -: -: -: -: -: -: -: -: -: -: -:		Millions of Yen				
	April 1 2	2007 – March 3	31 2008			
	Asia	Other	Total			
I Oversea sales	105,359	52,809	158,169			
Ⅱ. Consolidated sa	les		416,989			
Ratio of international sal to consolidated sales (%)	· ')h '?	12.6	37.9			

(4)-c. Overseas sales information

1, 0	· O reference bares miles	macron				
		Millions of Yen				
	_	April 1 2008 - March 31 2009				
		Asia	Other	Total		
I	Oversea sales	95,214	51,374	146,588		
Π .	Consolidated sales			377,979		
Ш.	Ratio of international sales to consolidated net sales (%)	25.2	13.6	38.8		