KURARAY 1H of FY2005 Earnings Presentation

<Progress of the "G-21" Medium-term Business Plan in its Final Year>

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Business Strategy of “G-21”

- Expand Core Materials Business Including Vinyl Acetate, Isoprene and Man-made Leather Related Operations.
- Strengthen Materials for Optical Use.
- Improve Earnings Structure. (Company-wide Cost Reductions)

KURARAY

Business Improvement Progress

(Billion of Yen)

G-21 follow-up	FY2002 (Plan)		FY2005 (Estimate)		Increase/Decrease	
	Sales	OP Income	Sales	OP Income	Sales	OP Income
Core Materials Business	142.8	18.4	176.8	27.4	+34.0	+9.0
Optical Materials Business	24.1	4.8	44.1	9.3	+20.0	+4.5
Other businesses	163.1	8.8	179.1	11.3	+16.0	+2.5
Elimination	-	-7.5	-	-8.0	-	-0.5
Total	330.0	24.5	400.0	40.0	+70.0	+15.5

Revised targets	FY2002 (Actual)		FY2005 (Estimate)		Increase/Decrease	
	Sales	OP Income	Sales	OP Income	Sales	OP Income
Core Materials Business	137.6	17.3	175.0	22.5	+37.4	+5.2
Optical Materials Business	27.6	6.6	35.0	12.0	+7.4	+5.4
Other Businesses	157.3	9.1	165.0	14.0	+7.7	+4.9
Elimination	-	-7.8	-	-10.5	-	-2.7
Total	322.5	25.2	375.0	38.0	+52.5	+12.8