

Consolidated Business Results
For the Fiscal Year Ending
March 31, 2012
Bando Chemical Industries, Ltd.

Financial Summary
Fiscal Year Ending
March 31, 2012

(1) Settlement of Accounts

- The production rates of many of our customers were affected by the Great East Japan Earthquake, the massive floods in Thailand and power supply constraints during the fiscal year. Overall business conditions were harsh, but we were able to respond to production recovery and ensure increased revenues.
- Profit declined due to the effects of high raw materials costs and yen appreciation.
- The sale of a former factory site and remotely-located company housing resulted in significant extraordinary losses, and net profit declined considerably for the term.
- With a focus on Asia, we accelerated capital investment and expanded our sales networks in India, China, Vietnam, etc.

(2) Summary of Results



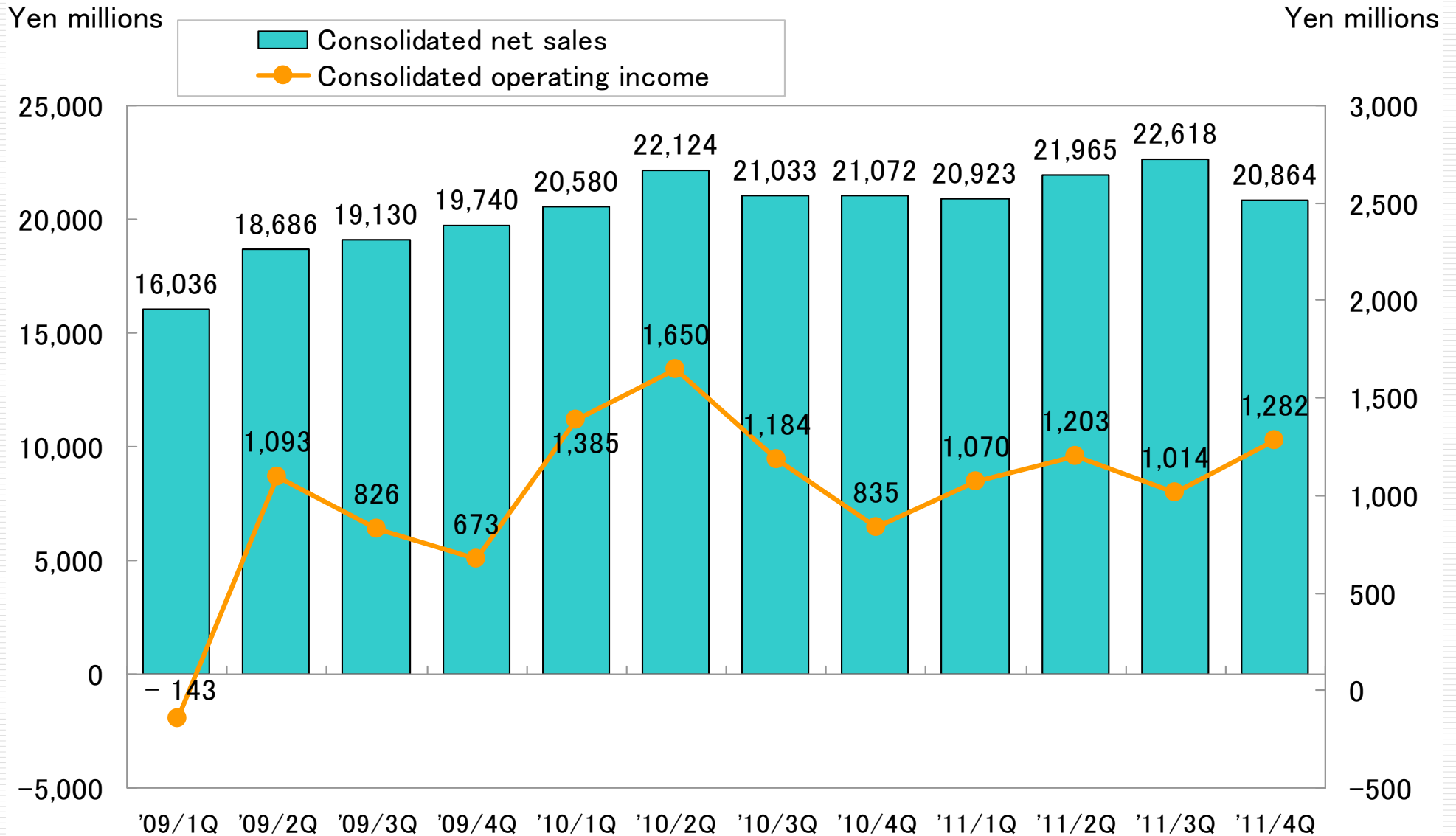
Yen millions

	FY2010	FY2011	Year on year	
			Change	Rate of change
Net sales	84,811	86,372	+1,560	+1.8%
Operating income	5,056	4,570	-485	- 9.6%
Ordinary income	4,967	4,391	-575	- 11.6%
Net profit	3,333	1,440	-1,893	- 56.8%
Overseas sales	34,676	33,686	-989	-2.9%
(Rate of overseas sales)	(40.9%)	(39.0%)	(-1.9pts)	—
Asia (Thailand, China, other)	27,443	26,422	-1,021	-3.7%
Other (America, Europe, other)	7,232	7,264	+31	+0.4%

Exchange rates (Term average) US\$=¥87.3

US\$=¥79.5

(3) Quarterly Progression of Net Sales and Operating Income



(4) Net Sales by Business Segment

Yen millions

	FY2010	FY2011	Year on year	
			Change	Rate of change
Net sales	84,811	86,372	+1,560	+1.8%

Sales by business segment

Power transmission	52,483	53,591	+1,107	+2.1%
Multimedia parts	10,636	9,020	-1,616	-15.2%
Industrial products	15,747	17,656	+1,908	+12.1%
Plastics products	4,837	4,923	+85	+1.8%
Other	2,113	1,796	-317	-15.0%

※Before eliminations

(5) Profit by Segment

Yen millions

	FY2010	FY2011	Year on year	
			Change	Rate of change
Power transmission	7,448	6,845	-602	-8.1%
Multimedia parts	1,250	379	-871	-69.7%
Industrial products	400	1,407	+1,006	+251.3%
Plastics products	418	402	-15	-3.8%
Other	135	102	-32	-24.4%
Total segment profit	9,653	9,137	-516	-5.3%
Corporate expenses, etc.	-4,596	-4,566	+30	+0.7%
Operating income	5,056	4,570	-485	-9.6%

(6) Non-Operating Income (Expenses) and Extraordinary Income (Loss)



Yen millions

	FY2010	FY2011	Year on year Change
Operating income	5,056	4,570	-485
Non-operating income	864	977	+113
Non-operating expenses	(954)	(1,156)	+202
Ordinary income	4,967	4,391	-575
Extraordinary income	267	12	-254
Extraordinary loss	(324)	(1,635)	+1,310
Income taxes and minority interests	(1,576)	(1,329)	-247
Net profit	3,333	1,440	-1,893

(7) Balance Sheet Fluctuations

Yen millions

Major fluctuations

Cash & deposits -¥3.8 bil.

Accounts receivable +¥1.3 bil.

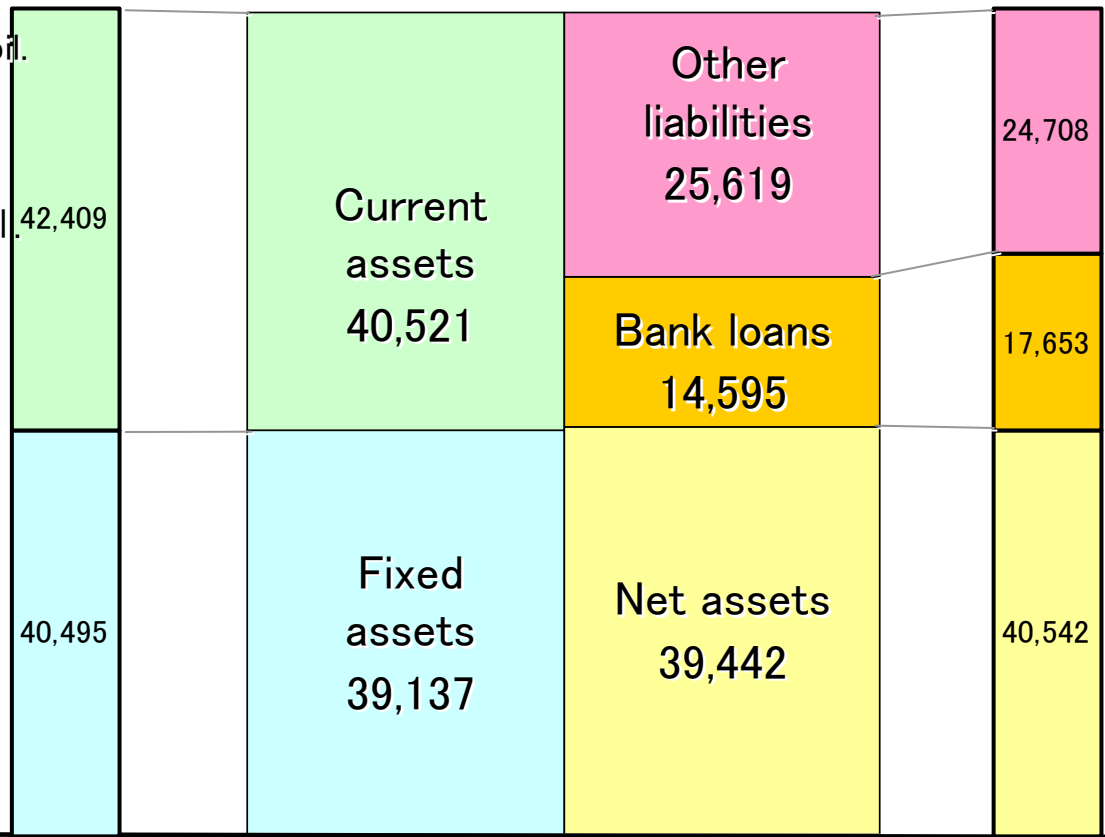
Inventories +¥900 mil. 42,409

Deferred tax assets -¥300mil

Tangible fixed assets -¥1.1 bil.

Intangible assets -¥700 mil. 40,495

Investment securities +¥300 mil.



Major fluctuations

Accts. payable +¥2.5 bil.

Accrued taxes -¥800 mil.

Other payables -¥800 mil.

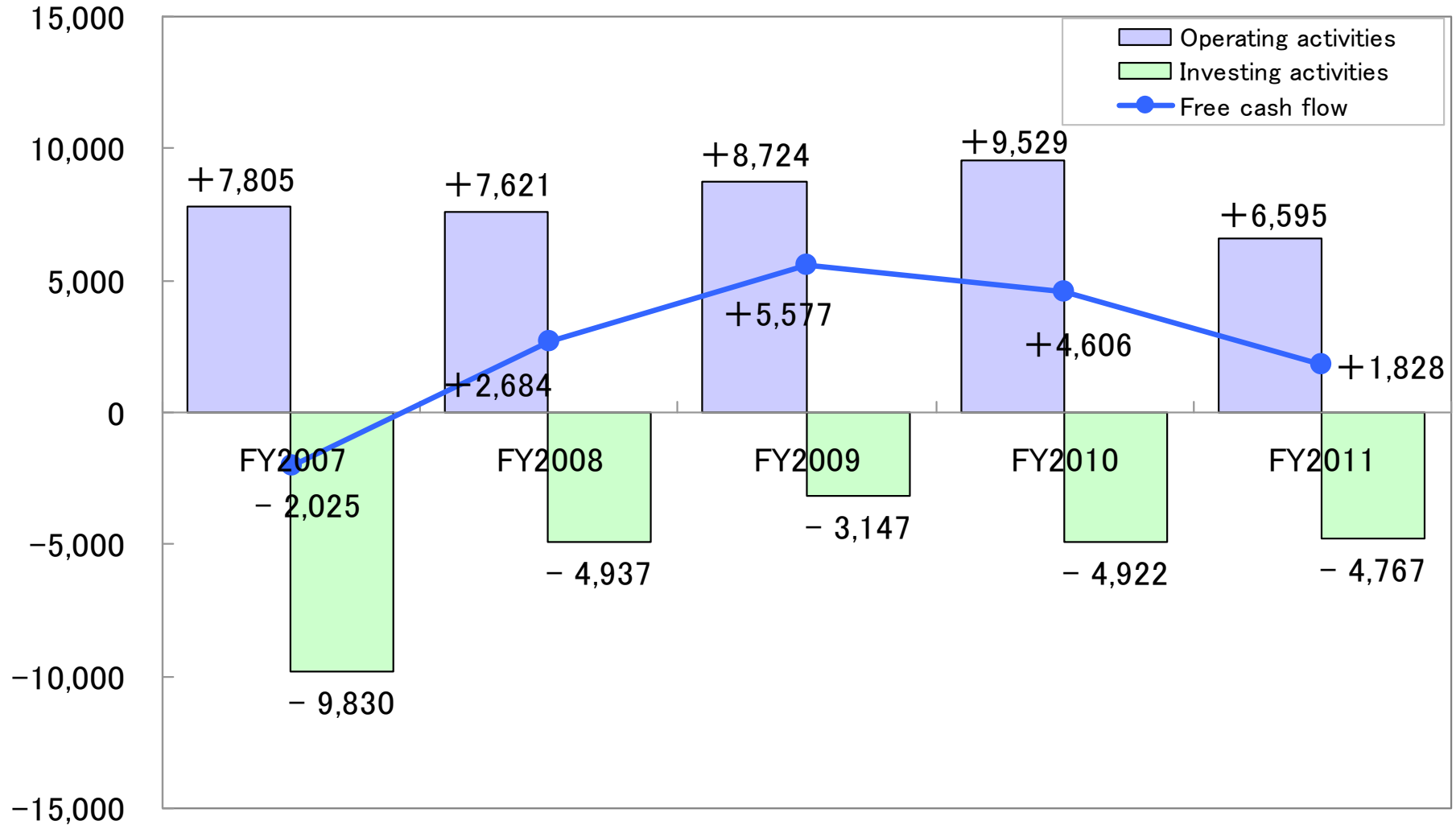
Bank loans -¥3.1bil.

Shareholders' equity +¥100 mil.

Valuation and translation adjustments -¥1.2 bil.

(8) Transition of Cash Flow

Yen millions



(9) Financial Indicators

	FY2007	FY2008	FY2009	FY2010	FY2011
ROE	12.3%	-0.6%	3.2%	8.5%	3.7%
ROA	5.8%	-0.3%	1.6%	4.0%	1.8%
Capital to asset ratio	48.5%	48.7%	50.2%	47.9%	48.4%
Debt to equity ratio	42.1%	47.3%	40.2%	44.5%	37.9%
Net interest-bearing debt	¥14.3 bil.	¥12.2 bil.	¥7.1 bil.	¥2.7 bil.	¥3.5 bil.

※ROE、ROA are based on net profit

2. FY2012 Earnings Forecast

(1) Outlook for FY2012

- We expect stable growth in Asian countries, but there are some concerns in the year ahead, such as worsening financial conditions in Europe, persistently high yen exchange rates, continued high costs for raw materials, and power supply constraints in Japan.
- Domestic production restoration will continue following the Great East Japan Earthquake.
- We will promote improved profitability through increased productivity, thorough cost reductions and raw materials procurement cost reductions.

With strengthened global competitiveness, we plan to increase revenues and profit for the year.

(2) FY2012 Forecast

Yen millions

	FY2011	FY2012	Year on year	
	Result	Forecast	Change	% change
Net sales	86,372	87,900	+1,527	+1.8%
Business segment				
Power transmission	53,591	54,700	+1,108	+2.1%
Multimedia parts	9,020	8,400	-620	-6.9%
Industrial products	17,656	18,500	+843	+4.8%
Plastics products	4,923	5,300	+376	+7.7%
Other	1,796	1,700	-96	-5.3%
Operating income	4,570	6,200	+1,629	+35.6%
Ordinary income	4,391	6,100	+1,708	+38.9%
Net profit	1,440	4,000	+2,559	177.7%

Exchange rates (Term average)

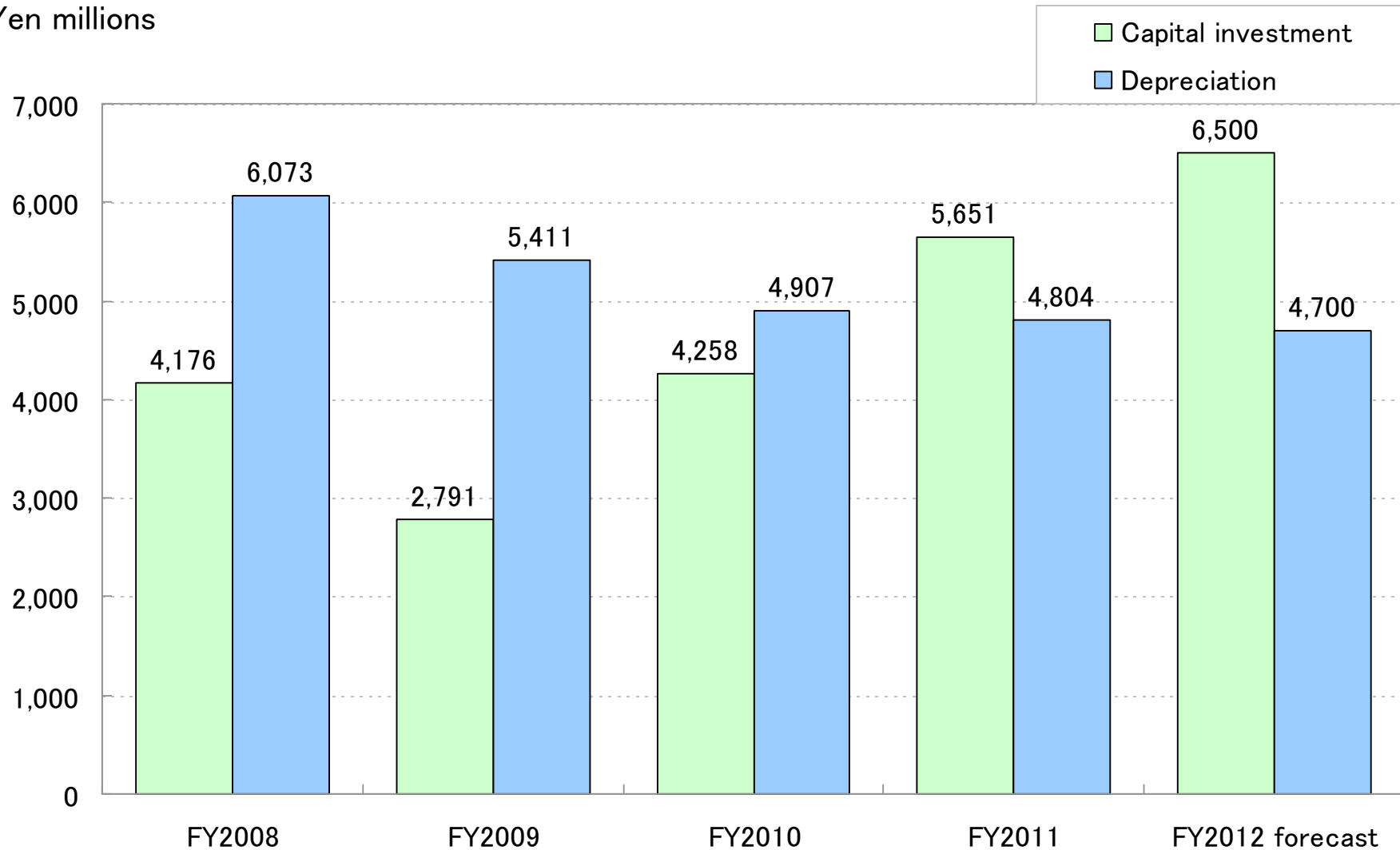
US\$= ¥79.5

US\$=¥76

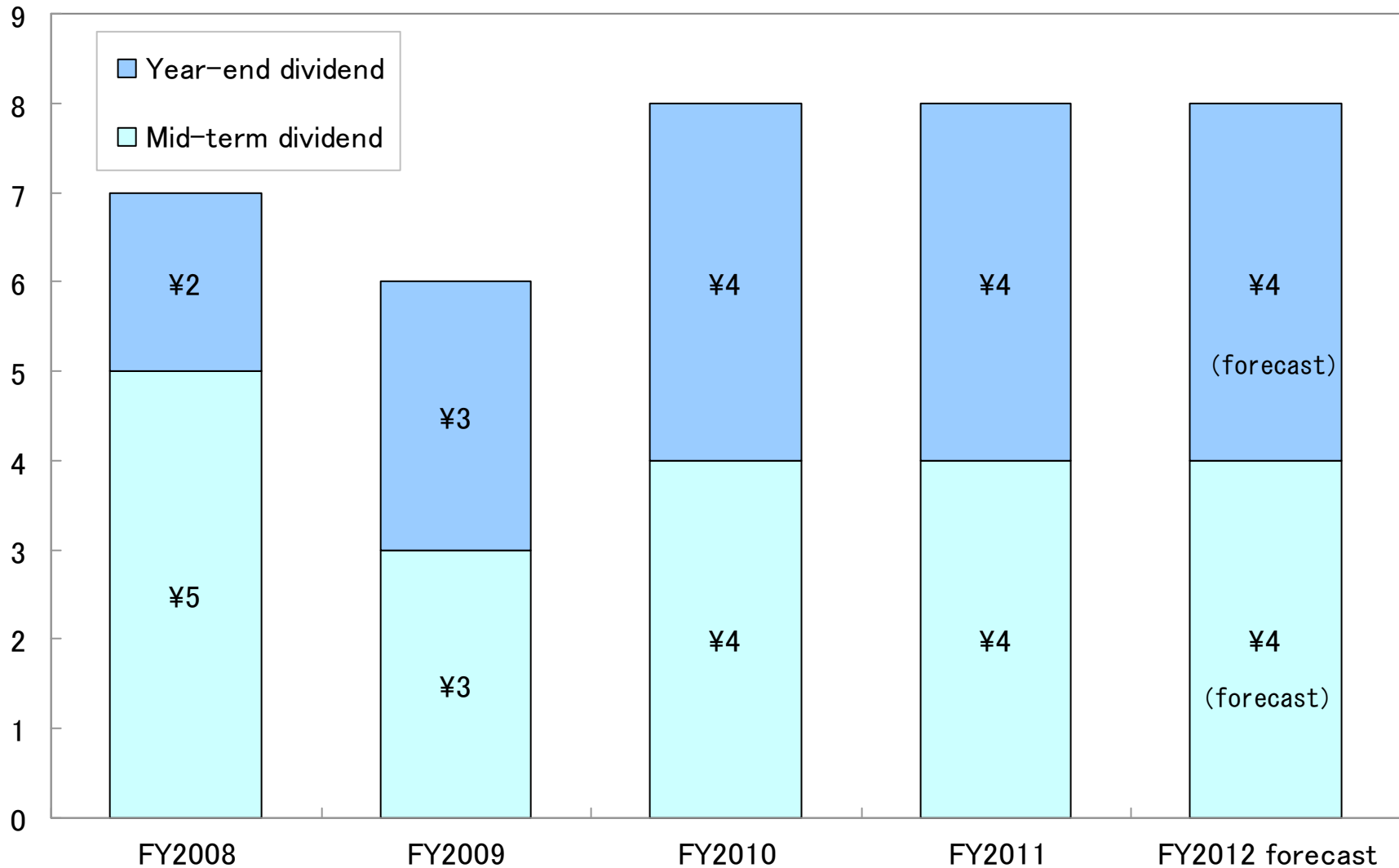
※Sales forecasts are before eliminations

(3) Transition of Capital Investment and Depreciation

Yen millions

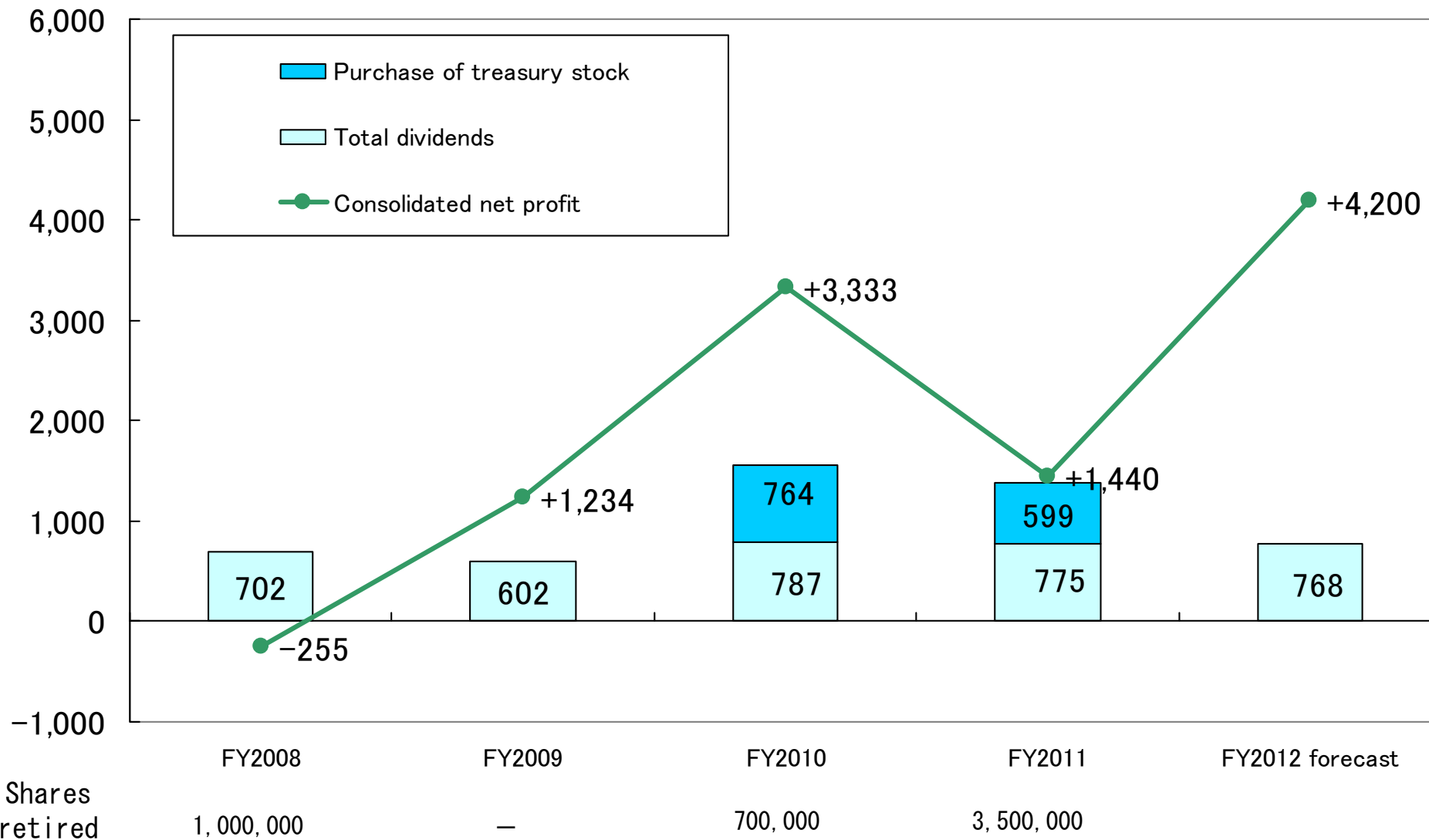


(4) Shareholder Return (Dividends)



(5) Treasury Stock, Dividends, Net Profit

Yen millions



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