

## Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the First Quarter of Fiscal 2014 ended March 31, 2014

August 8, 2013

Company: Taiheiyo Cement Corporation  
Stock code: 5233  
URL: <http://www.taiheiyo-cement.co.jp/>

Fiscal 2013 1Q: April 1, 2012- June 30,2012  
Fiscal 2013: April 1, 2012- March 31, 2013  
Fiscal 2014 1Q: April 1, 2013- June 30, 2013  
Fiscal 2014: April 1, 2013- March 31, 2014

The accompanying consolidated financial results are not intended to present the financial results in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

(All yen figures are rounded down to the nearest one million yen.)

### 1. Consolidated Financial Results for the First Quarter of Fiscal 2014 (April 1, 2013 through June 30, 2013)

#### (1) Operating Results

	Net Sales		Operating income		Ordinary income(loss)		Net income(loss)	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q FY3/14	187,320	12.3	9,174	—	6,944	—	2,042	—
1Q FY3/13	166,761	1.3	490	—	(4,222)	—	(5,380)	—

\*comprehensive income : Fiscal 2014 1Q 11,338      Fiscal 2013 1Q 66

	EPS		Diluted EPS	
	Yen		Yen	
1Q FY3/14	1.66		—	
1Q FY3/13	(4.38)		—	

#### (2) Financial Position

	Total assets		Total net assets		Equity ratio	
	Millions of Yen	%	Millions of Yen	%		
1Q FY3/14	1,007,158	—	228,294	—	19.7	
FY3/13	982,473	—	219,826	—	19.5	

\*Equity : Fiscal 2014 1Q 198,486      Fiscal 2013 191,427

### 2. Dividends

	Dividend per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
FY3/13	—	2.00	—	2.00	4.00
FY3/14	—	—	—	—	—
FY3/14(forecast)	—	2.00	—	2.00	4.00

### 3. Consolidated Results Forecast for the Fiscal 2014(April 1, 2013 through March 31, 2014)

	Net sales		Operating income		Ordinary income		Net income(loss)		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
1HFY3/14	382,000	8.1	14,000	31.8	9,000	97.1	1,500	178.1	1.22
FY3/14	798,000	6.7	48,000	18.1	40,000	22.4	13,000	14.7	10.58

This forecast is based on the information available at the date of publication of this material and assumptions at the same date with respect to the various factors which might have impact on the future financial results. Actual results may differ materially from this forecast due to various factors.

## Consolidated Balance Sheets

All yen figures are rounded down to the nearest one million yen.  
(Millions of Yen)

		FY3/13 (As of 3/31/13)	1Q FY3/14 (As of 6/30/13)
	Cash and deposits	59,379	65,710
	Notes and accounts receivable-trade	174,336	172,983
	Merchandise and finished goods	25,920	28,156
	Work in process	4,788	5,938
	Raw materials and supplies	36,455	38,041
	Other	31,413	32,295
	Allowance for doubtful accounts	(1,587)	(1,695)
	<b>Total current assets</b>	<b>330,706</b>	<b>341,431</b>
	Property, plant and equipment		
	Buildings and structures	146,664	145,323
	Machinery, equipment and vehicles	108,314	107,253
	Land	152,625	154,144
	Other	49,884	59,968
	Property, plant and equipment	457,489	466,689
	Intangible assets		
	Goodwill	11,303	11,617
	Other	30,275	30,877
	Intangible assets	41,578	42,494
	Investments and other assets		
	Investment securities	85,128	85,458
	Other	74,282	77,744
	Allowance for doubtful accounts	(6,713)	(6,659)
	Investments and other assets	152,698	156,543
	<b>Total noncurrent assets</b>	<b>651,766</b>	<b>665,727</b>
	<b>Total assets</b>	<b>982,473</b>	<b>1,007,158</b>

All yen figures are rounded down to the nearest one million yen.  
(Millions of Yen)

	FY3/13 (As of 3/31/13)	1Q FY3/14 (As of 6/30/13)
Notes and accounts payable-trade	85,010	83,164
Short-term loans payable	274,760	284,918
Commercial Paper	—	9,000
Current portion of bonds	11,478	11,420
Income taxes payable	11,000	7,645
Provision for bonuses	4,711	3,661
Provision for directors' bonuses	7	7
Provision for loss on assignment	2,971	2,971
Other provision	1,922	1,641
Other	70,730	76,218
<b>Total current liabilities</b>	<b>462,591</b>	<b>480,647</b>
Bonds payable	32,385	32,645
Long-term loans payable	155,336	145,141
Provision for retirement benefits	25,448	26,357
Provision for directors' retirement benefits	505	465
Provision for loss on business of subsidiaries and affiliates	138	138
Provision for special repairs	343	358
Provision for asset removal	1,866	1,865
Asset retirement obligations	8,032	7,467
Other	75,998	83,775
<b>Total non-current liabilities</b>	<b>300,054</b>	<b>298,215</b>
<b>Total liabilities</b>	<b>762,646</b>	<b>778,863</b>
Capital stock	86,174	86,174
Capital surplus	50,636	50,636
Retained earnings	91,174	90,760
Treasury stock	(934)	(941)
<b>Total shareholders' equity</b>	<b>227,051</b>	<b>226,629</b>
Valuation difference on available-for-sale securities	3,168	3,288
Deferred gains or losses on hedges	78	60
Revaluation reserve for land	4,563	4,474
Foreign currency translation adjustments	(39,640)	(31,935)
Adjustment for employee retirement benefit of overseas subsidiary	(3,793)	(4,030)
<b>Total accumulated other comprehensive income</b>	<b>(35,624)</b>	<b>(28,142)</b>
Minority interests	28,399	29,808
<b>Total net assets</b>	<b>219,826</b>	<b>228,294</b>
<b>Total liabilities and net assets</b>	<b>982,473</b>	<b>1,007,158</b>

## Consolidated Statements of Income

All yen figures are rounded down to the nearest one million yen.  
(Millions of Yen)

		Item	1Q FY3/13 (As of 6/30/12)	1Q FY3/14 (As of 6/30/13)	
Ordinary income	Operating income	Net sales	166,761	187,320	
		Cost of sales	137,521	148,103	
		Gross profit	29,239	39,217	
		Selling, general and administrative expenses	28,749	30,042	
		Operating income	490	9,174	
	Non-operating income and expenses	Income	Interest income	110	84
			Dividends income	203	205
			Other	926	1,182
		Total		1,240	1,472
		Expenses	Interest expenses	2,279	2,172
			Equity in losses of unconsolidated subsidiaries and affiliates	2,836	794
			Other	836	735
			Total		5,953
	Ordinary income(loss)			(4,222)	6,944
Extraordinary income and losses	Income	Gain on disposal of non-current assets	127	1,080	
		Other	22	45	
		Total		150	1,125
	Losses	Loss on disposal of non-current assets	229	294	
		Other	389	30	
		Total		618	325
	Income(loss) before income tax and minority interests			(4,690)	7,744
Income taxes total			864	5,500	
Net income(loss) before minority interests			(5,554)	2,243	
Minority interests			(174)	201	
Net income(loss)			(5,380)	2,042	

## Consolidated Statements of Comprehensive Income

All yen figures are rounded down to the nearest one million yen.

(Millions of Yen)

	1Q FY3/13 (As of 6/30/12)	1Q FY3/14 (As of 6/30/13)
Income(loss) before minority interests	(5,554)	2,243
Other comprehensive income		
Valuation difference on available-for-sale securities	(786)	148
Deferred gains or losses on hedges	(0)	(18)
Foreign currency translation adjustment	4,930	8,491
Adjustments for employee retirement benefit of overseas subsidiary	(135)	(236)
Share of other comprehensive income of associates accounted for using equity method	1,613	709
Total other comprehensive income	5,621	9,094
Comprehensive income	66	11,338
Comprehensive income attributable to :		
Shareholders of Taiheiyo Cement Corporation	(640)	9,613
Minority interests	707	1,724

## Consolidated Segment Information

(Information regarding sales and income(loss) by reportable segments)

All yen figures are rounded down to the nearest one million yen.

(Millions of Yen)

	1Q FY3/13 (4/1/12 – 6/30/12)										
	Reportable Segments						Total	Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Ceramics & Electronics Business	Total					
Net sales											
Sales to outside customers	107,330	16,139	13,551	16,427	3,430	156,879	9,882	166,761	—	166,761	
Inter-segment sales	2,519	3,792	1,303	999	9	8,804	5,566	14,371	(14,371)	—	
Total	109,849	20,112	14,855	17,427	3,439	165,684	15,448	181,133	(14,371)	166,761	
Segment income(loss)	(913)	326	1,316	(360)	(624)	(256)	622	365	124	490	

	1Q FY3/14 (4/1/13 – 6/30/13)										
	Reportable Segments						Total	Other	Total	Adjustment	Consolidated Total
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Ceramics & Electronics Business	Total					
Net sales											
Sales to outside customers	118,026	17,630	20,447	18,278	2,377	176,761	10,558	187,320	—	187,320	
Inter-segment sales	2,931	4,609	1,129	1,067	8	9,747	5,319	15,066	(15,066)	—	
Total	120,958	22,240	21,577	19,346	2,385	186,508	15,878	202,387	(15,066)	187,320	
Segment income(loss)	5,405	1,207	1,771	325	(256)	8,453	725	9,179	(4)	9,174	