March 30, 2010

Consolidated and Non-consolidated Earnings Forecast Revisions for Fiscal 2010

Taiheiyo Cement Corporation announces the following revisions to its earnings forecasts, initially announced with first-half results on November 10, 2009, for fiscal 2010.

1. Revisions to consolidated earnings forecasts

Fiscal 2010 (April 1, 2009–March 31, 2010)

	Net sales	Income from operations	Ordinary income(loss)	Net loss	EPS
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	737,000	5,000	500	(4,500)	(4.80)
Revised forecasts (B)	725,000	2,000	(1,000)	(40,000)	(42.70)
Change (B) − (A)	(12,000)	(3,000)	(1,500)	(35,500)	—
Percent change (%)	(1.6)	(60.0)	—	—	—
Ref: Fiscal 2009 results	871,833	11,176	(4,880)	(35,371)	(37.69)

2. Revisions to non-consolidated earnings forecasts

Fiscal 2010 (April 1, 2009–March 31, 2010)

	Net sales	Income(loss) from operations	Ordinary income(loss)	Net income(loss)	EPS
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	280,000	1,000	3,000	1,500	1.59
Revised forecasts (B)	277,000	2,500	5,500	(42,000)	(44.43)
Change (B) − (A)	(3,000)	1,500	2,500	(43,500)	—
Percent change (%)	(1.1)	150.0	83.3	—	—
Ref: Fiscal 2009 results	316,948	(6,902)	(2,962)	(55,144)	(58.22)

3. Main reasons for revising earnings forecasts

(1) Consolidated earnings forecasts

We anticipate lower consolidated sales as a result of lower cement sales volume at Taiheiyo Cement and in the US.

We anticipate lower operating income, despite efforts to reduce fixed costs, as a result of lower sales.

We expect to incur an ordinary loss, despite growth in equity method income, as a result of lower operating income.

We anticipate a larger net loss as a result of deterioration in ordinary loss and increase in extraordinary losses, as explained in the "Announcement of Extraordinary Losses," released on March 30, 2010.

(2) Non-consolidated earnings forecasts

We anticipate lower non-consolidated sales as a result of lower cement sales volume.

We anticipate higher non-consolidated operating income as a result of reducing fixed costs.

We anticipate higher non-consolidated ordinary income as a result of higher income from operations and higher dividend income.

We expect to incur a non-consolidated net loss, despite higher ordinary income, for the same reason as in our consolidated accounts.

Note: Forecasts in this document are based on information available at the time of its release. Actual results may differ for a variety of reasons.