

# Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the Third Quarter of Fiscal 2012 ended March 31, 2012

February 9, 2012

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

Fiscal 2011 3Q: April 1, 2010- December 31,2010  
 Fiscal 2011: April 1, 2010-March 31, 2011  
 Fiscal 2012 3Q: April 1, 2011- December 31, 2012  
 Fiscal 2012: April 1, 2011-March 31, 2012

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 Third Quarter of Fiscal 2012 (April 1, 2011 through December 31, 2011)

### (1) Operating Results

	Net Sales		Operating income		Ordinary income		Net income(loss)	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
3Q FY3/12	539,819	0.5	18,752	119.2	10,376	610.6	1,096	-
3Q FY3/11	537,326	(1.6)	8,554	131.9	1,460	(39.6)	(5,568)	-

\*comprehensive income : Fiscal 2012 3Q (5,765) Fiscal 2011 3Q (19,339)

	EPS		Diluted EPS	
	Yen		Yen	
3Q FY3/12	1.04		-	
3Q FY3/11	(5.92)		-	

### (2) Financial Position

	Total assets		Total net assets		Equity ratio	
	Millions of Yen		Millions of Yen		%	
3Q FY3/12	997,351		189,277		16.4	
FY3/11	998,741		166,819		14.1	

\*Equity : Fiscal 2012 3Q 163,195 Fiscal 2011 3Q 140,441

## 2. Dividends

	Dividend per share				
	1Q	2Q	3Q	4Q	Total
	Yen				
FY3/11	—	0.00	—	2.50	2.50
FY3/12	—	2.00	—	—	—
FY3/12(forecast)	—	—	—	2.00	4.00

## 3. Consolidated Results Forecast for the Fiscal 2012(April 1, 2011 through March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
FY3/12	718,000	(1.2)	27,000	64.3	18,200	145.5	11,300	153.9	10.31

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)

	FY3/11 (As of 3/31/11)	3Q FY3/12 (As of 12/31/11)
Cash and deposits	67,290	65,282
Notes and accounts receivable-trade	150,064	168,451
Merchandise and finished goods	27,168	25,511
Work in process	6,166	6,838
Raw materials and supplies	35,260	38,619
Other	38,796	40,737
Allowance for doubtful accounts	(1,810)	(2,212)
<b>Total current assets</b>	<b>322,936</b>	<b>343,228</b>
Property, plant and equipment		
Buildings and structures	158,150	152,397
Machinery, equipment and vehicles	117,902	107,398
Land	153,479	154,211
Other	51,444	57,096
Property, plant and equipment	480,977	471,103
Intangible assets		
Goodwill	15,607	13,141
Other	31,095	29,759
Intangible assets	46,702	42,901
Investments and other assets		
Investment securities	87,466	80,649
Other	66,420	65,334
Allowance for doubtful accounts	(5,762)	(5,865)
Investments and other assets	148,125	140,118
<b>Total noncurrent assets</b>	<b>675,805</b>	<b>654,122</b>
<b>Total assets</b>	<b>998,741</b>	<b>997,351</b>

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

	FY3/11 (As of 3/31/11)	3Q FY3/12 (As of 12/31/11)
Notes and accounts payable-trade	78,757	83,652
Short-term loans payable	282,336	272,064
Commercial papers	12,000	-
Current portion of bonds	20,326	10,270
Income taxes payable	3,323	6,157
Provision for bonuses	4,152	2,597
Provision for directors' bonuses	7	7
Provision for loss on assignment	5,953	5,953
Provision for loss on disaster	6,542	1,720
Other provision	878	957
Other	58,599	69,706
<b>Total current liabilities</b>	<b>472,877</b>	<b>453,086</b>
Bonds payable	51,954	42,349
Long-term loans payable	199,554	203,483
Provision for retirement benefits	23,945	23,096
Provision for directors' retirement benefits	626	510
Provision for loss on business of subsidiaries and affiliates	138	138
Provision for special repairs	319	368
Provision for asset removal	2,427	2,252
Asset retirement obligations	6,251	6,105
Other	73,827	76,683
<b>Total non-current liabilities</b>	<b>359,044</b>	<b>354,987</b>
<b>Total liabilities</b>	<b>831,922</b>	<b>808,073</b>
Capital stock	69,499	86,174
Capital surplus	33,962	50,636
Retained earnings	82,952	79,335
Treasury stock	(918)	(924)
<b>Total shareholders' equity</b>	<b>185,495</b>	<b>215,221</b>
Valuation difference on available-for-sale securities	2,393	1,496
Deferred gains or losses on hedges	54	(5)
Revaluation reserve for land	4,447	4,677
Foreign currency translation adjustments	(49,503)	(56,093)
Adjustment for employee retirement benefit of overseas subsidiary	(2,446)	(2,100)
<b>Total accumulated other comprehensive income</b>	<b>(45,053)</b>	<b>(52,026)</b>
Minority interests	26,378	26,082
<b>Total net assets</b>	<b>166,819</b>	<b>189,277</b>
<b>Total liabilities and net assets</b>	<b>998,741</b>	<b>997,351</b>

## Consolidated Statements of Income

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

		Item	3Q FY3/11 (As of 12/31/10)	3Q FY3/12 (As of 12/31/11)		
Ordinary income	Operating income	Net sales	537,326	539,819		
		Cost of sales	438,814	434,026		
		Gross profit	98,512	105,792		
		Selling, general and administrative expenses	89,958	87,040		
		Operating income	8,554	18,752		
	Non-operating income and expenses	Income	Interest income	351	378	
			Dividends income	949	1,168	
			Equity in earnings of unconsolidated subsidiaries and affiliates	577	-	
			Other	2,901	2,926	
		Total		4,779	4,473	
		Expenses	Interest expenses	7,223	7,237	
			Equity in losses of unconsolidated subsidiaries and affiliates	-	2,157	
			Other	4,650	3,453	
			Total		11,873	12,849
			Ordinary income		1,460	10,376
Extraordinary income and losses	Income		Gain on disposal of non-current assets	9,759	1,141	
		Gain on sales of investment securities	2,385	38		
		Other	1,116	282		
		Total		13,261	1,463	
	Losses	Loss on disposal of non-current assets	1,222	1,442		
		Loss on sale of investment securities	2,556	79		
		Loss on valuation of investment securities	2,203	637		
		Loss on disaster	-	2,118		
		Loss on adjustment for changes of accounting standard for asset retirement obligations	4,056	-		
		Other	2,483	1,769		
		Total		12,521	6,048	
		Income before income tax and minority interests		2,199	5,791	
		Income taxes-current		7,746	7,423	
		Income taxes-deferred		(458)	(3,457)	
Income taxes total		7,288	3,965			
Net income(loss) before minority interests		(5,088)	1,826			
Minority interests		480	729			
Net income(loss)		(5,568)	1,096			

## Consolidated Statement of Comprehensive Income

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

(Millions of Yen)

	3Q FY3/11 (As of 12/31/10)	3Q FY3/12 (As of 12/31/11)
Income(loss) before minority interests	(5,088)	1,826
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,972)	(778)
Deferred gains or losses on hedges	1	(23)
Foreign currency translation adjustment	(9,134)	(4,821)
Revaluation reserve for land	-	400
Adjustments for employee retirement benefit of overseas subsidiary	389	346
Share of other comprehensive income of associates accounted for using equity method	(2,535)	(2,715)
Total other comprehensive income	(14,251)	(7,592)
Comprehensive income	(19,339)	(5,765)
Comprehensive income attributable to :		
Shareholders of Taiheiyo Cement Corporation	(18,337)	(5,857)
Minority interests	(1,002)	91

## 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)

	3Q FY3/11 (4/1/10 – 12/31/10)									
	Reportable Segments						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	320,272	49,239	39,867	54,762	29,707	493,759	43,567	537,326	—	537,326
Inter-segment sales	7,739	12,379	3,702	3,816	24	27,662	21,933	49,596	(49,596)	—
Total	328,012	61,619	43,569	58,489	29,731	521,422	65,501	586,923	(49,596)	537,326
Segment income(loss)	3,311	1,297	3,752	(1,096)	(760)	6,503	2,472	8,976	(421)	8,554

	3Q FY3/12 (4/1/11 – 12/31/11)									
	Reportable Segments						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	337,944	49,499	43,052	54,633	24,721	509,851	29,967	539,819	—	539,819
Inter-segment sales	8,670	12,931	4,190	2,780	7	28,581	15,572	44,154	(44,154)	—
Total	346,615	62,431	47,243	57,414	24,729	538,433	45,539	583,973	(44,154)	539,819
Segment income(loss)	10,564	2,131	4,734	(52)	(180)	17,198	1,906	19,104	(351)	18,752