

Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the First Quarter of Fiscal 2006

August 3, 2005

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

Fiscal 2005 1Q: April 1, 2004- Jun 30,2004
 Fiscal 2005: April 1, 2004-March 31, 2005
 Fiscal 2006 1Q: April 1, 2005-Jun 30, 2005
 Fiscal 2006: April 1, 2005-March 31, 2006

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.

1. Consolidated results for the first quarter of FY3/06 (April 1, 2005 – Jun 30, 2005)

(1) Consolidated results of operations All yen figures are rounded down to the nearest one million yen.

	Net Sales		Operating income		Ordinary income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
1Q FY3/06	211,057	6.0	9,788	72.9	7,298	209.5
1Q FY3/05	199,120	-4.5	5,662	-	2,357	-
FY3/05	872,686		48,185		38,264	

	Net income		EPS	Diluted EPS
	Millions of Yen	%	Yen	Yen
1Q FY3/06	-19,650	-	-21.02	-
1Q FY3/05	1,069	-	1.17	1.15
FY3/05	14,412		15.33	14.80

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Millions of Yen	Millions of Yen	%	Yen
1Q FY3/06	1,251,838	218,962	17.5	234.27
1Q FY3/05	1,300,123	218,187	16.7	234.46
FY3/05	1,247,532	236,734	19.0	253.26

(Reference:FY3/06 consolidated earnings forecast (April 1, 2005 – March 31, 2006))

There is no revision proposed in the consolidated project performance for the FY3/06, which was announced on May 17, 2005.

Consolidated Balance Sheets(Summary)

(Unit: Millions of Yen)

Item	1H FY3/06 (As of 6/30/04)	FY3/05 (As of 3/31/05)	Change
Assets			
Current assets	403,471	366,243	37,227
Cash and time deposits	101,960	73,364	28,595
Notes and accounts receivable	189,536	190,071	-534
Inventories	75,895	67,811	8,083
Other current assets	36,079	34,995	1,083
Fixed assets	848,366	881,289	-32,922
Tangible fixed assets	577,827	608,111	-30,284
Intangible fixed assets	46,690	47,060	-370
Investments and other assets	223,849	226,117	-2,267
Total assets	1,251,838	1,247,532	4,305
Liabilities			
Current liabilities	580,384	547,404	32,979
Notes and accounts payable	119,187	117,476	1,711
Short-term borrowings and bonds(due within one year)	383,489	353,200	30,288
Other current liabilities	77,707	76,727	979
Fixed liabilities	422,952	433,525	-10,572
Long-term borrowings ,Bonds and convertible bonds	310,708	312,756	-2,048
Other fixed liabilities	112,244	120,768	-8,524
Total liabilities	1,003,337	980,929	22,407
Minority interests	29,538	29,867	-329
Shareholders' equity			
Capital stock	69,499	69,499	—
Additional paid in capital	59,076	58,605	470
Retained earnings	79,350	101,337	-21,987
Revaluation excess	4,818	4,855	-37
Unrealized gain on other securities	19,162	19,885	-722
Foreign currency translation adjustments	-11,224	-14,725	3,500
Treasury stock	-1,720	-2,723	1,002
Total shareholders' equity	218,962	236,734	-17,772
Total liabilities, minority interests and shareholders' equity	1,251,838	1,247,532	4,305

Consolidated Statements of Income(Summary)

(Unit: Millions of Yen)

Item		1Q FY3/06 (4/1/05-6/30/05)	1Q FY3/05 (4/1/04-6/30/04)	Change
Operating income/loss	Net sales	211,057	199,120	11,937
	Cost of sales	166,813	157,225	9,587
	Selling, general and administrative expenses	34,456	36,232	-1,775
	Operating income	9,788	5,662	4,126
Non-operating income		3,020	2,725	295
Non-operating expenses		5,510	6,029	-518
Ordinary income		7,298	2,357	4,940
Extraordinary gains (losses)		-33,469	1,849	-35,318
Net income before income taxes		-26,171	4,207	-30,378
Income taxes		4,822	2,586	2,236
Income tax adjustments		-10,452	59	-10,512
Minority interest income		-891	491	-1,383
Net income		-19,650	1,069	-20,719