

Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the Third Quarter of Fiscal 2007 ended March 31, 2007

February 13, 2007

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

Fiscal 2006 3Q: April 1, 2005- December 31,2005
Fiscal 2006: April 1, 2005-March 31, 2006
Fiscal 2007 3Q: April 1, 2006-December 31, 2006
Fiscal 2007: April 1, 2006-March 31, 2007

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 third quarter of FY3/07 (April 1, 2006 – December 31, 2006)

(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	%
3Q FY3/07	698,217	5.2	55,144	21.6	49,202	29.1
3Q FY3/06	663,659	4.6	45,344	36.5	38,121	51.4
FY3/06	906,657		62,011		49,792	

	Net income		EPS	Diluted EPS
	Millions of Yen	%	Yen	Yen
3Q FY3/07	20,325	794.4	21.72	20.99
3Q FY3/06	2,272	-84.5	2.43	2.34
FY3/06	9,101		9.63	9.29

(2) Consolidated financial position

	Total assets	Shareholders' equity	Equity ratio	Equity per share
	Millions of Yen	Millions of Yen	%	Yen
3Q FY3/07	1,286,598	320,034	21.9	301.24
3Q FY3/06	1,291,724	259,403	20.1	276.98
FY3/06	1,278,245	269,387	21.1	287.91

(Reference:FY3/07 consolidated earnings forecast (April 1, 2006 – March 31, 2007))

There is no revision proposed in the consolidated project performance for the FY3/07, which was announced on November 14, 2006.

Consolidated Balance Sheets(Summary)

(Unit: Millions of Yen)

Item	3H FY3/07 (As of 12/31/06)	FY3/06 (As of 3/31/06)	Change
Assets			
Current assets	430,008	402,222	27,785
Cash and time deposits	76,374	98,891	-22,517
Notes and accounts receivable	224,274	197,455	26,819
Inventories	85,876	73,995	11,881
Other current assets	43,483	31,880	11,602
Fixed assets	856,589	876,022	-19,432
Tangible fixed assets	582,962	583,388	-426
Intangible fixed assets	45,887	47,592	-1,705
Investments and other assets	227,739	245,041	-17,301
Total assets	1,286,598	1,278,245	8,353
Liabilities			
Current liabilities	543,467	593,929	-50,462
Notes and accounts payable	130,460	119,987	10,473
Short-term borrowings and bonds(due within one year)	330,856	390,496	-59,639
Other current liabilities	82,149	83,445	-1,296
Fixed liabilities	423,096	379,160	43,935
Long-term borrowings ,Bonds and convertible bonds	316,388	268,958	47,429
Other fixed liabilities	106,708	110,201	-3,493
Total liabilities	966,563	973,090	-6,526
Minority interests	-	35,768	-
Shareholders' equity			
Capital stock	-	69,499	-
Additional paid in capital	-	59,515	-
Retained earnings	-	105,973	-
Revaluation excess	-	4,691	-
Unrealized gain on other securities	-	28,199	-
Foreign currency translation adjustments	-	3,260	-
Treasury stock	-	-1,752	-
Total shareholders' equity	-	269,387	-
Total liabilities, minority interests and shareholders' equity	-	1,278,245	-
Net Assets			
Owners' equity	249,263	-	-
Capital stock	69,499	-	-
Additional paid in capital	59,603	-	-
Retained earnings	121,992	-	-
Treasury stock	-1,831	-	-
Valuation and translation Adjustments	32,567	-	-
Unrealized gain on other securities	25,037	-	-
Deferred losses on hedges	6	-	-
Revaluation excess	4,696	-	-
Foreign currency translation adjustments	2,827	-	-
Minority interests	38,204	-	-
Total net assets	320,034	-	-
Total liabilities and net assets	1,286,598	-	-

Consolidated Statements of Income(Summary)

(Unit: Millions of Yen)

Item		3Q FY3/07 (4/1/06–12/31/06)	3Q FY3/06 (4/1/05–12/31/05)	Change
Operating income/loss	Net sales	698,217	663,659	34,557
	Cost of sales	539,237	516,343	22,894
	Selling, general and administrative expenses	103,835	101,971	1,863
	Operating income	55,144	45,344	9,799
Non-operating income		7,398	8,927	-1,528
Non-operating expenses		13,340	16,149	-2,809
Ordinary income		49,202	38,121	11,080
Extraordinary gains (losses)		-9,543	-33,046	23,502
Net income before income taxes		39,659	5,075	34,583
Income taxes		16,127	16,201	-74
Income tax adjustments		569	-14,581	15,150
Minority interest income		2,636	1,182	1,453
Net income		20,325	2,272	18,053

Segment Information

Segment information

(Unit: Millions of Yen)

	3Q FY3/07 (4/1/06 – 12/31/06)								
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Ceramics & Electronics Business	Other	Total	Eliminations or corporate assets	Consolidated total
Net Sales	437,612	75,374	51,201	70,556	50,162	79,771	764,679	(66,461)	698,217
Operating expenses	393,174	71,946	48,983	70,262	49,250	75,374	708,992	(65,918)	643,073
Operating income/loss	44,437	3,428	2,218	294	911	4,396	55,686	(542)	55,144