

Outline of Consolidated Financial Results of Taiheiyo Cement Corporation for the First Quarter of Fiscal 2008 ended March 31, 2008

August 7, 2007

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

Fiscal 2007 1Q: April 1, 2006-June 30,2006
 Fiscal 2007: April 1, 2006-March 31, 2007
 Fiscal 2008 1Q: April 1, 2007-June 30, 2007
 Fiscal 2008: April 1, 2007-March 31, 2008

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 FY3/08 (April 1, 2007 – June 30, 2007)

(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 FY3/08	223,931	3.1	10,997	-4.7	7,401	-9.8
1Q FY3/07	217,151	2.9	11,536	17.9	8,202	12.4
FY3/07	940,630	-	76,692	-	67,907	-

	Net income		EPS	Diluted EPS
	Millions of Yen	%	Yen	Yen
1Q FY3/08	2,729	343.0	2.91	2.69
1Q FY3/07	616	-	0.66	0.64
FY3/07	24,408	-	26.08	25.20

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Equity per share
	Millions of Yen	Millions of Yen	%	Yen
1Q FY3/08	1,271,619	331,018	23.1	313.01
1Q FY3/07	1,248,811	300,619	21.2	282.38
FY3/07	1,256,980	329,637	23.3	312.98

(Reference:FY3/08 consolidated earnings forecast (April 1, 2007 – March 31, 2008))

Taiheiyo Cement Corporation's performance in the first quarter of FY3/08 was in line with projections, and we can as yet ascertain no negative impact on this year's results stemming from our August 6 release "Faulty OEM Products Find Way to Market". We therefore maintain our consolidated results estimates for the full year announced on May 15, 2007.

Consolidated Balance Sheets(Summary)

(Unit: Millions of Yen)

Item	1H FY3/08 (As of 6/30/07)	FY3/07 (As of 3/31/07)	Change
Assets			
Current assets	403,165	391,526	11,638
Cash and time deposits	73,059	70,142	2,916
Notes and accounts receivable	208,478	206,927	1,550
Inventories	85,967	80,412	5,554
Other current assets	35,660	34,043	1,617
Fixed assets	868,453	865,453	3,000
Tangible fixed assets	580,744	580,285	458
Intangible fixed assets	44,399	45,064	-665
Investments and other assets	243,310	240,102	3,207
Total assets	1,271,619	1,256,980	14,639
Liabilities			
Current liabilities	532,694	498,623	34,070
Notes and accounts payable	116,273	116,751	-477
Short-term borrowings and bonds(due within one year)	327,381	294,632	32,748
Other current liabilities	89,039	87,239	1,799
Fixed liabilities	407,907	428,718	-20,811
Long-term borrowings ,bonds and convertible bonds	293,284	315,520	-22,236
Other fixed liabilities	114,623	113,198	1,425
Total liabilities	940,601	927,342	13,259
Net Assets			
Owners' equity	255,465	253,826	1,639
Capital stock	69,499	69,499	-
Additional paid in capital	60,590	59,868	722
Retained earnings	126,958	126,127	830
Treasury stock	-1,582	-1,669	86
Valuation and translation adjustments	38,326	39,165	-838
Unrealized gain on other securities	26,019	25,485	533
Deferred losses on hedges	21	21	-
Revaluation excess	4,677	4,677	-
Foreign currency translation adjustments	9,333	10,720	-1,387
Accumulated other comprehensive income(loss)	-1,725	-1,740	15
Minority interests	37,225	36,646	579
Total net assets	331,018	329,637	1,380
Total liabilities and net assets	1,271,619	1,256,980	14,639

Consolidated Statements of Income(Summary)

(Unit: Millions of Yen)

Item		1Q FY3/08 (4/1/07-6/30/07)	1Q FY3/07 (4/1/06-6/30/06)	Change
Operating income/loss	Net sales	223,931	217,151	6,780
	Cost of sales	176,479	171,671	4,808
	Selling, general and administrative expenses	36,453	33,943	2,510
	Operating income	10,997	11,536	-538
Non-operating income		3,025	3,100	-75
Non-operating expenses		6,621	6,434	186
Ordinary income		7,401	8,202	-800
Extraordinary gains (losses)		146	-1,373	1,519
Net income before income taxes		7,548	6,829	718
Income taxes		4,550	5,815	-1,265
Income tax adjustments		-353	48	-402
Minority interest income		622	349	272
Net income		2,729	616	2,113

Segment Information

Segment information

(Unit: Millions of Yen)

	1Q FY3/08 (4/1/07 – 6/30/07)								
	Cement Business	Mineral Resources Business	Environmental Business	Construction Materials Business	Ceramics & Electronics Business	Other	Total	Eliminations or corporate assets	Consolidated total
Net Sales	136,520	26,456	15,527	22,574	15,773	29,359	246,212	(22,280)	223,931
Operating expenses	127,979	25,290	14,878	22,941	16,421	27,525	235,037	(22,103)	212,933
Operating income/loss	8,541	1,166	648	-366	-647	1,833	11,174	(177)	10,997