

February 12, 2009

Company : Taiheiyo Cement Corporation

Stock code : 5233

URL : <http://www.taiheiyo-cement.co.jp/>

## Revision of Earnings and Dividend Forecasts for Fiscal 2009

Taiheiyo Cement Corporation announces the following revisions to its earnings and year-end dividend forecasts for fiscal 2009, previously announced with the first half of fiscal 2009 results on November 11, 2008.

### 1. Revisions to consolidated earnings forecast

Fiscal 2009 (April 1, 2008 through March 31, 2009)

	Net sales	Operating income	Ordinary income	Net income	EPS
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Previous forecast (A)	910,000	18,000	9,000	-7,000	-7.46
Revised forecast (B)	880,000	9,000	-6,000	-28,000	-29.83
Change (B) - (A)	-30,000	-9,000	-15,000	-21,000	—
Percent change (%)	-3.3	-50.0	—	—	—
Ref: FY 2008 results	927,576	51,551	41,645	20,485	21.84

### 2. Revisions to non-consolidated earnings forecast

Fiscal 2009 (April 1, 2008 through March 31, 2009)

	Net sales	Operating income	Ordinary income	Net income	EPS
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Yen
Previous forecast (A)	330,000	-4,500	0	-2,000	-2.11
Revised forecast (B)	320,000	-9,000	-5,000	-45,000	-47.51
Change (B) - (A)	-10,000	-4,500	-5,000	-43,000	—
Percent change (%)	-3.0	—	—	—	—
Ref: FY 2008 results	310,092	7,866	12,955	2,229	2.35

### 3. Main reasons for revising earnings forecast

#### (1) Consolidated earnings forecast

Cement demand in Japan and the U.S. continues to wane due to the global economic slowdown. We expect sales to fall short of our previous forecasts in a broad range of business segments, including mineral resources and ceramics and electronics, as a result of falling demand and fewer orders.

We expect operating income to fall short of our previous forecast, despite our efforts to reduce fixed costs, due to a decline in sales.

We forecast ordinary losses as a result of lower operating income and larger equity in losses of affiliates.

We expect net losses to increase as a result of recording loss on valuation of investment securities and amortization of goodwill in equity.

## (2) Non-consolidated earnings forecast

We expect non-consolidated sales, operating income, and ordinary income to fall short of our previous forecasts due to the same factors affecting consolidated earnings.

We expect net losses to increase as a result of recording loss on valuation of investment securities and loss on valuation of stocks of subsidiaries and affiliates.

### 4. Revision of year-end dividend forecast for fiscal 2009

Record date	Dividend per share (¥)		
	End of 1H FY 2009	End of FY 2009	FY 2009
Previous forecast (November 11, 2008)		Undecided	Undecided
Revised forecast		¥0	¥2
FY 2009 results	¥2		
FY 2008 results	¥2	¥3	¥5

We expect shareholders' equity to decrease significantly as a result of recording net losses, and though regrettable, we have decided to forego a year-end dividend, which was previously undecided.

We previously paid an interim dividend of ¥2 per share, resulting in an annual dividend of ¥2 per share.

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