

Taiheiyo Cement Corporation Announces Differences between FY3/11 Results and Forecasts

Taiheiyo Cement Corporation today announced differences between its results for fiscal 2011 (FY3/11; April 1, 2010–March 31, 2011), published today, and earnings forecasts for the year it released on November 9, 2010.

1. Forecasts–results differences for fiscal 2011 (April 1, 2010–March 31, 2011)

Consolidated

	Net sales	Operating income	Ordinary income	Net income	Net income/ share
Previous forecasts (A)	Millions of yen 691,400	Millions of yen 10,500	Millions of yen 2,000	Millions of yen 4,000	Yen 4.30
Results (B)	726,475	16,433	8,124	5,162	5.49
Difference (B) – (A)	35,075	5,933	6,124	1,162	—
Percent difference (%)	5.1	56.5	306.2	29.1	—
Ref: FY3/10 results (Losses)	728,581	3,572	148	(37,041)	(39.50)

Non-consolidated

	Net sales	Operating income	Ordinary income	Net income	Net income/ share
Previous forecasts (A)	Millions of yen 263,000	Millions of yen 10,000	Millions of yen 13,000	Millions of yen 25,000	Yen 26.30
Results (B)	265,484	15,425	18,588	21,204	22.34
Difference (B) – (A)	2,484	5,425	5,588	–3,795	—
Percent difference (%)	0.9	54.3	43.0	–15.2	—
Ref: FY3/10 results (Losses)	278,843	3,381	6,643	(39,559)	(41.81)

2. Reasons for differences

Consolidated operating income and ordinary income exceeded forecasts thanks to further cost reductions and work to increase cement sales by volume. Net income was also higher than forecast despite an extraordinary loss for the earthquake damage, as announced today in our “Taiheiyo Cement Corporation Announces Extraordinary Losses” release, due to operating income growth and steady progress in disposal of fixed assets, including those of consolidated subsidiaries.

Non-consolidated operating income and ordinary income came in ahead of forecast as a result of increased cement sales volume and further cost reduction efforts. Net income fell short of our forecast despite operating income growth, because we booked extraordinary losses associated with the earthquake damage and the valuation of investment securities and shares in subsidiaries and affiliates, as also announced today in our “Taiheiyo Cement Corporation Announces Extraordinary Losses” release.