

Coming into Focus

Since our founding in 1916, from a base in the fine chemicals business, Nippon Kayaku has continued to expand into a broad range of new fields, including explosives, dyes, pharmaceuticals, agrochemicals, functional products, catalysts and inflators to construct our current business foundation. We have succeeded in expanding by continually improving ourselves to meet the needs of the rapidly changing times.

Nippon Kayaku has undergone many changes during our long history, and we are now focusing on the fields of information/communications, health care, and safety systems, three fields we have identified as growth fields at the start of the new century. We are constructing business portfolios, and are concentrating business resources in order to target global niche markets in these fields. While creating a fusion of the broad range of technologies that we have developed in the Group, we are also actively pursuing alliances with other companies. In doing so, we are aiming for rapid start-up of new businesses that no other company can match, and for high market shares or "only one" shares of small-scale markets where the size of Nippon Kayaku is an effective advantage. At the same time, we are working to increase profit-earning capacity and expand the value of our business in global markets, where price competition is becoming increasingly fierce.

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* Company information after May 31, 2004 is disclosed as part of company information herein.

* Descriptions about future results imply uncertainty and risks, and do not guarantee realization of these results as such. There are possibilities that discrepancies will occur between goals and results due to such factors as changes in management environment.