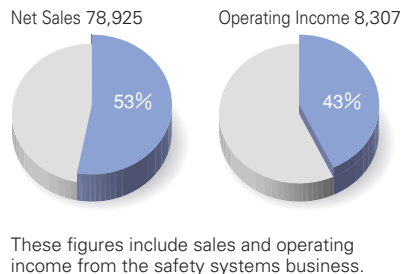


Business at a Glance (year ended May 31, 2007 unit: millions of yen)

Functional Chemicals Business

Manufacturing the parts and materials essential for IT products

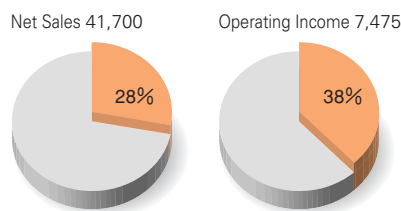
Among Nippon Kayaku's various strengths are the high-performance plastics that are at the heart of cell phone and digital information home electronics, optical functional films, and a wide range of products utilizing applied dye technology. Our products hold an approximate 40% share of the global market for epoxy resins used in the encapsulation of semiconductors, and our materials for liquid crystal projectors are highly rated. In addition, we also manufacture and sell the catalysts that are used in the production of acrylic acid and methacrylic acid.



Pharmaceuticals Business

Specializing and expanding our activities in cancer-related fields

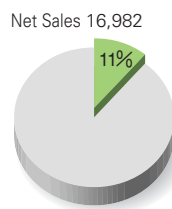
We maintain extensive original expertise related to research and development, production, sales, and aftermarket investigations of anti-cancer drugs, and our lineup of cancer-fighting drugs and related products has reached 27 products (as of July 2007). We are also strengthening our licensing activities, and are introducing generic products in order to expand our cancer-related business.



Safety Systems Business

Manufacturing components for airbags and other automobile safety systems

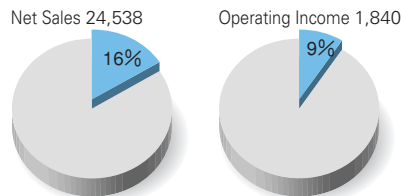
We manufacture and sell the inflators that generate gas for airbags that protect occupants in the event of an automobile accident, micro gas generators for seatbelt pretensioners, and the squibs (igniters) used in these products. We have constructed a global production and supply system based in Japan, North America, and Europe, and are working to expand our business in this area.



Fine Chemicals Business

A field generating stable profits, comprising business fields such as agrochemicals, dyes, and explosives

We operate our agrochemicals business for the development, manufacture, and sale of chemicals used in agriculture; our color chemicals business for handling the dyes for coloring textiles, paper pulp, plastic/resin and other materials; and our explosives business for handling industrial explosives and pyrotechnic products.



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