

Consolidated Statements of Changes in Net Assets

Nippon Kayaku Co., Ltd. and Consolidated Subsidiaries
As of May 31, 2009 and 2008

	Millions of yen									
	Shareholders' equity					Valuation and translation adjustments			Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Less treasury stock, at cost	Total shareholders' equity	Unrealized holding gains on other securities	Translation adjustments	Total valuation and translation adjustments		
Balance as of May 31, 2007	¥14,932	¥17,269	¥79,481	¥(514)	¥111,168	¥5,068	¥1,276	¥6,345	¥12,719	¥130,233
Cash dividends paid.....			(3,633)		(3,633)					(3,633)
Net income.....			6,630		6,630					6,630
Purchases of treasury stock.....				(74)	(74)					(74)
Disposition of treasury stock.....		1		10	12					12
Net change in items other than shareholders' equity.....						(2,247)	315	(1,931)	(161)	(2,093)
Total movements during the year	-	1	2,996	(63)	2,934	(2,247)	315	(1,931)	(161)	840
Balance as of May 31, 2008	14,932	17,270	82,477	(578)	114,102	2,821	1,592	4,413	12,557	131,074
Effect of changes in accounting policies applied to foreign subsidiaries.....			(190)		(190)					(190)
Balance as of June 1, 2008	14,932	17,270	82,287	(578)	113,911	2,821	1,592	4,413	12,557	130,883
Cash dividends paid.....			(3,632)		(3,632)					(3,632)
Net income.....			3,718		3,718					3,718
Purchases of treasury stock.....				(87)	(87)					(87)
Disposition of treasury stock.....		(6)		42	36					36
Net change in items other than shareholders' equity.....						(2,776)	(1,377)	(4,153)	(952)	(5,105)
Total movements during the year	-	(6)	86	(45)	34	(2,776)	(1,377)	(4,153)	(952)	(5,071)
Balance as of May 31, 2009	¥14,932	¥17,263	¥82,373	¥(623)	¥113,946	¥ 45	¥ 214	¥ 260	¥11,605	¥125,812

	Thousands of U.S. dollars									
	Shareholders' equity					Valuation and translation adjustments			Minority interests	Total net assets
	Common stock	Additional paid-in capital	Retained earnings	Less treasury stock, at cost	Total shareholders' equity	Unrealized holding gains on other securities	Translation adjustments	Total valuation and translation adjustments		
Balance as of May 31, 2008	\$154,767	\$179,000	\$854,861	\$(5,990)	\$1,182,649	\$29,239	\$16,500	\$45,740	\$130,151	\$1,358,561
Effect of changes in accounting policies applied to foreign subsidiaries.....			(1,969)		(1,969)					(1,969)
Balance as of June 1, 2008	154,767	179,000	852,891	(5,990)	1,180,669	29,239	16,500	45,740	130,151	1,356,581
Cash dividends paid.....			(37,645)		(37,645)					(37,645)
Net income.....			38,536		38,536					38,536
Purchases of treasury stock.....				(901)	(901)					(901)
Disposition of treasury stock.....		(62)		435	373					373
Net change in items other than shareholders' equity.....						(28,772)	(14,272)	(43,045)	(9,867)	(52,912)
Total movements during the year	-	(62)	891	(456)	352	(28,772)	(14,272)	(43,045)	(9,867)	(52,560)
Balance as of May 31, 2009	\$154,767	\$178,928	\$853,783	\$(6,457)	\$1,181,032	\$ 466	\$ 2,218	\$ 2,694	\$120,283	\$1,304,021

See accompanying notes to consolidated financial statements.