

Summary of Financial Results (Consolidated)

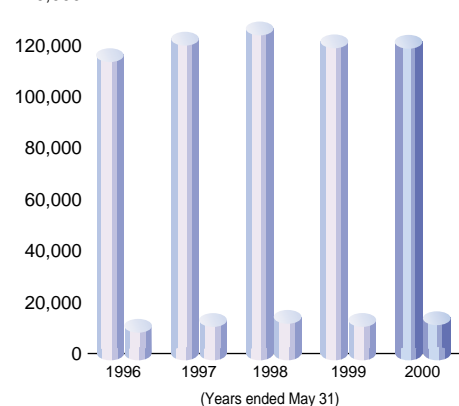
(Years ended May 31)

(Unit: million yen)

	1996	1997	1998	1999	2000
Net Sales	116,171	122,406	126,445	121,483	121,302
Operating Income	10,233	12,048	14,439	12,147	14,071
Income before Income Taxes and Minority Interests	9,578	11,314	13,071	12,057	10,132
Net Income	4,627	9,954	5,886	6,714	4,807
Shareholders' Equity	69,831	78,090	82,101	86,989	90,666
Shareholders' Equity per Share (Yen)	382.63	427.89	449.86	476.65	496.90
Net Income per Share (Yen)	25.35	54.54	32.25	36.79	26.34

Net Sales/Operating Income

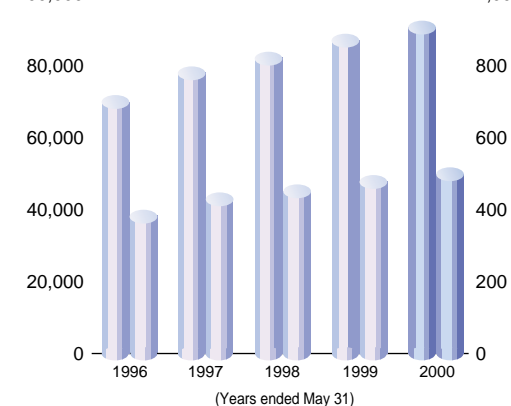
(Unit: million yen)



Shareholders' Equity/ Shareholders' Equity per Share

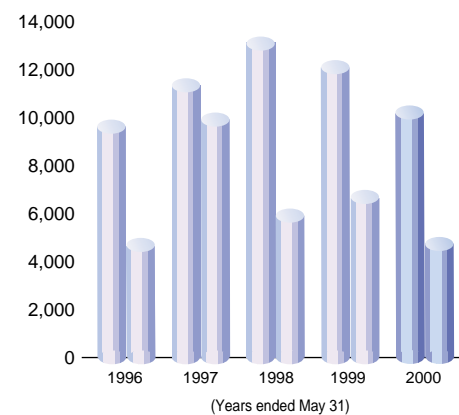
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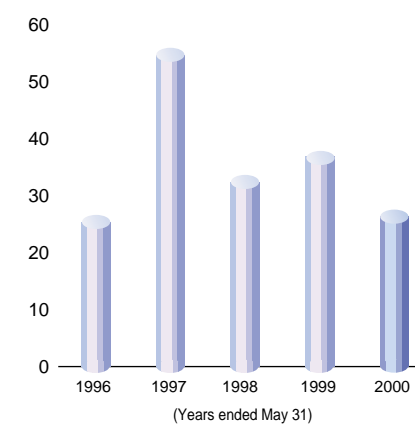
Income before Income Taxes and Minority Interests/Net Income

(Unit: million yen)

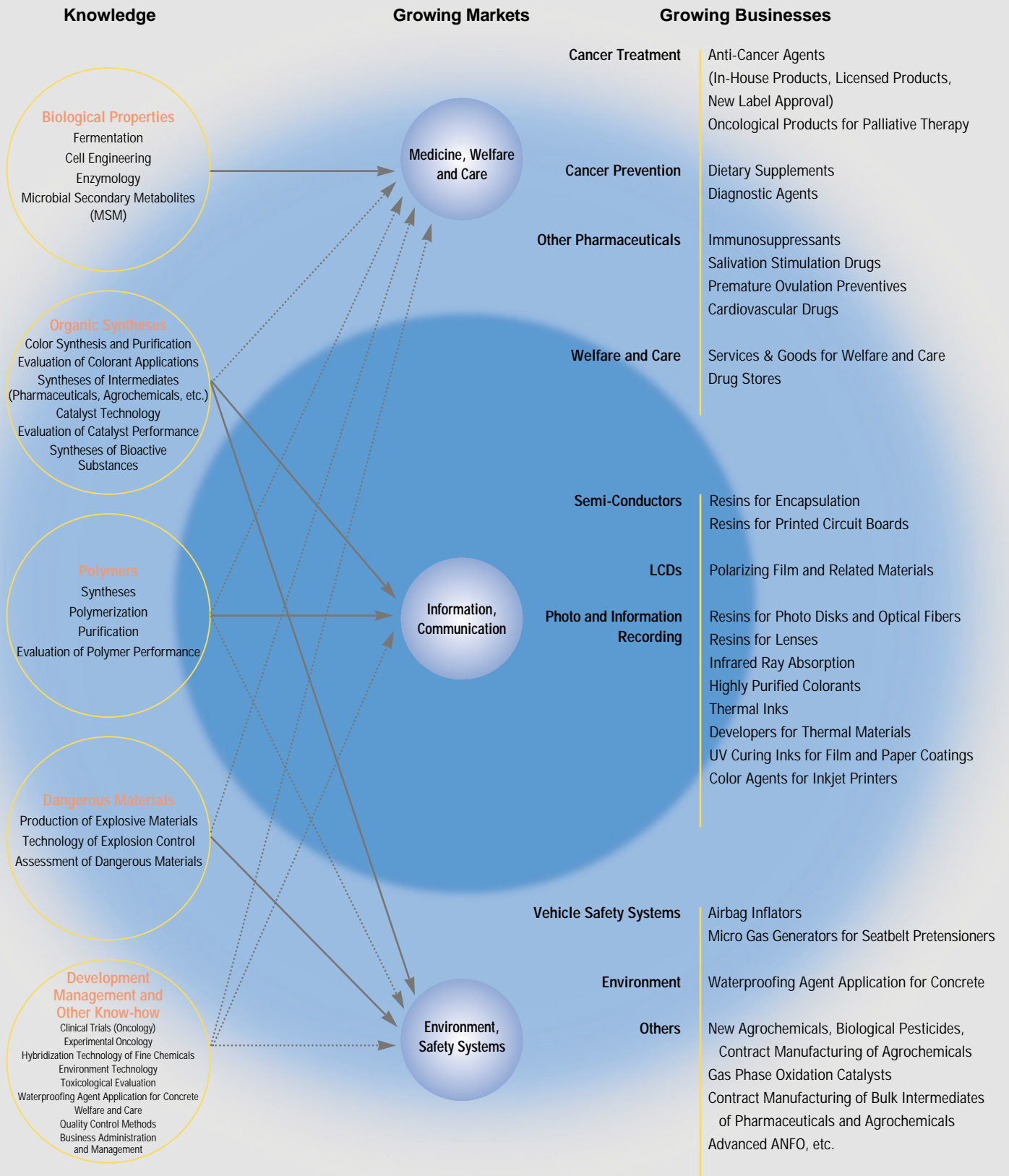


Net Income per Share

(Unit: yen)



Growth Strategy with Fusion and Utilization of Intellectual Property



Contribution to society and daily living in diversified fields based on fine chemicals and pharmaceuticals

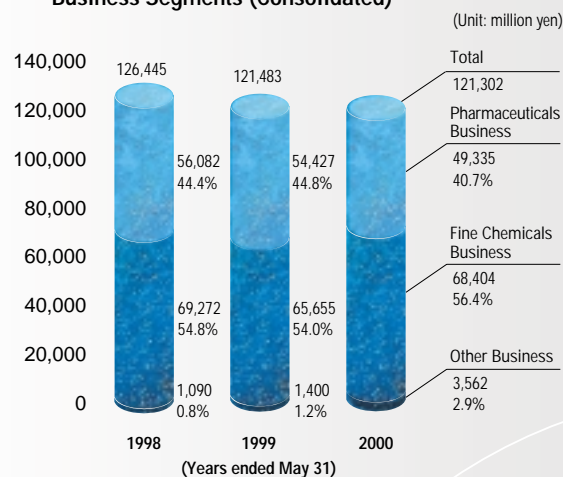
Since its foundation in 1916, Nippon Kayaku has promoted its core businesses for more than 80 years centering on the two main areas of pharmaceuticals and chemicals. The products and technologies of Nippon Kayaku cover extensive fields that support society, industry, and daily living in a variety of important respects. Most of the company's products and services are related to the most critical spheres in which we live, including human health and the environment.

Since the company's first success involving domestic production of aspirin in 1932, Nippon Kayaku has provided pharmaceutical products that consistently meet the needs of the public. Our company has been developing pharmaceutical products to contribute to various clinical treatments, and especially notable are the company's nine anti-cancer drugs, making up one of the best such lineups in the world, as well as cardiovascular drugs indispensable in the treatment of heart disease, and immunosuppressants crucial to the long-term support of organ transplants. In addition, Nippon Kayaku was quick to predict the necessity of preventive medicine as an enterprise, and came up with cancer diagnostics and a diabetes diagnostic agent, Lana AG.

The chemical products manufactured through the fine chemicals technology of Nippon Kayaku cover a number of truly diversified fields. For example, the technology for highly safe explosives and electric detonators developed by Nippon Kayaku over the years has contributed immeasurably to safer road and railroad construction, urban development, and national land development. By application of specialized gunpowder technology, airbag inflators for automobiles have been developed and supplied to the market. The precise technology that controls an explosion in units of 1/1000 of a second contributes greatly to a safer motoring public through improvements in automobile airbags.

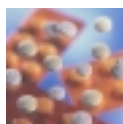
The technologies and products of Nippon Kayaku include numerous state-of-the-art functional materials to support the information technology (IT) society, such as epoxy resins used for semiconductor encapsulation material that currently account for an approximately 40 percent share of the world market, as well as thermal ink, UV-curing resins, optical film for liquid crystal displays, catalysts for production of acrylic acid and methacrylic acid compounds, textiles and paper products, resins and various dyes for color inkjet printers, and agrochemicals that contribute to a stable food supply. All these products support the development of various industries and contribute to leading a prosperous and healthy lifestyle.

■ Net sales and Composition Ratio by Business Segments (Consolidated)



Pharmaceuticals Group

- ◆ Anti-cancer Drugs
 - FARESTON
 - ODYNE
 - STARASID
 - PINORUBIN
 - LASTET
 - BESTATIN
 - RANDA
 - BLEO
 - PEPLEO
- ◆ Immunosuppressants
 - SPANIDIN
- ◆ Cardiovascular Drugs
 - ADEHL
 - NITROGLYCERINE TABLETS
 - NITROPEN TABLETS
 - MILLISROL
 - MILLIS TAPE
- ◆ Diagnostic
 - LANA AG
 - LANAZYME ST-439



Others

- ◆ Healthcare
- ◆ Repair Material for Waterproofing
 - FLOWSEALER

Fine Chemicals Group

- ◆ Inflators
 - AIRBAG INFLATORS
 - SQUIBS
 - MICRO GAS GENERATORS FOR SEATBELT PRETENSIONERS
- ◆ Catalysts
 - CATALYSTS
 - PLANT LICENSE BUSINESS
- ◆ Functional Products
 - EOCN
 - BREN
 - KAYATORON
 - KAYAHARD
 - KAYARAD
 - KAYAMER
 - KAYACURE
 - KAYANOVA
 - KAYASORB
 - KAYAMIRROR
- ◆ Color Chemicals
 - KAYALON POLYESTER
 - KAYACRYL ED
 - KAYACELON REACT
 - KAYARUS
 - KAYASION
 - KAYAFECT
 - KAYAPHOR LIQID
 - COLORING AGENTS FOR COLOR INKJET PRINTERS
- ◆ Agro and Fine Chemicals
 - DIAZINON
 - CYCLOSAL
 - KAYABEST
 - MCPB
 - CHLOROPICRIN
 - CUCUMERIS
 - RATDEN
- ◆ Explosives
 - DYNAMITE
 - SLURRIED EXPLOSIVES
 - AMMONIUM NITRATE FUEL OIL EXPLOSIVE (ANFO EXPLOSIVE)
 - BLACK POWDER
 - ELECTRIC DETONATORS

