

## News Release Dated August 5, 2011

Company name: EBARA-UDYLITE CO., LTD.  
Representative: Yoshimasa Kasuya,  
Chairman and CEO  
Stock code: 4975  
Contact: Masaaki Kamitani,  
Senior Managing Director,  
Senior Managing Executive Officer,  
Chief Director, Administration  
Tel: +81-3-3833-0322

### Revisions to Earnings Forecasts

EBARA-UDYLITE CO., LTD. has made the following revisions to the first-half and full-year forecasts that were announced on May 9, 2011 for the fiscal year ending on March 31, 2012 because of the effects of the Great East Japan Earthquake of March 11, 2011 and the current trends in performance.

#### Revisions to Earnings Forecasts

##### Revision to Consolidated Forecasts for the First Half of the Fiscal Year Ending March 31, 2012

(April 1, 2011 – September 30, 2011)

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	6,000	620	600	400	113.40
Revised forecast (B)	5,870	400	370	200	56.70
Increase (decrease) (B – A)	(130)	(220)	(230)	(200)	
Percentage change (%)	(2.2)	(35.5)	(38.3)	(50.0)	
Reference: year-ago results (H1, FY3/11)	5,809	672	660	319	87.66

##### Revision to Consolidated Forecasts for the Fiscal Year Ending March 31, 2012

(April 1, 2011 – March 31, 2012)

	Sales	Operating income	Ordinary income	Net income	Net income per share
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	13,500	1,590	1,570	960	272.16
Revised forecast (B)	13,240	1,190	1,150	680	192.78
Increase (decrease) (B – A)	(260)	(400)	(420)	(280)	
Percentage change (%)	(1.9)	(25.2)	(26.8)	(29.2)	
Reference: year-ago results (FY3/11)	12,232	1,517	1,485	854	237.25

**Reasons for Revisions**

During the first quarter, sales of chemicals in Japan were far below the initial forecast due to the effects of the Great East Japan Earthquake. In the remainder of the current fiscal year, delays are anticipated in Japan's recovery following the earthquake as well as a downturn is expected in overseas sales of chemicals used by Japanese automakers. Sales are now expected to be about 2% less than in the previous first half and fiscal year forecasts. In addition, the share of sales from high-margin chemicals is declining while the share of sales from low-margin products supplied by other companies is increasing. Based on these factors, EBARA-UDYLITE forecasts large declines in operating income, ordinary income and net income as shown above.