

March 12, 2011

Effects of the Tohoku-Kanto Earthquake in Japan (First Report)

SANYO CHEMICAL INDUSTRIES, LTD.
(Japan securities code: 4471)

This is to inform you that the Tohoku-Kanto Earthquake that occurred on March 11, 2011 damaged our Kashima Factory which is located in Kamisu city, Ibaraki prefecture, Japan.

We expect that restoring the Kashima Factory to normal operation will take some time because parts of the facility were damaged and local power supply has been stopped.

We are now investigating the details. We checked all of our employees and there were no injuries.

No damage was reported to our other factories.

We are sorry this earthquake has caused so much trouble to all concerned. Currently, we are committed to restoring operations while securing safety. We will keep you informed about the situation as it progresses.

We send our deepest sympathies to all affected people.