

April 26,2011

Sakai Chemical Industry Co., Ltd.

Representative Director : Iwao Yabunaka, President

Listed on Tokyo Stock Exchange

And Osaka Securities Exchange

The Impact of the Tohoku district-off the Pacific Ocean Earthquake(№ 4)

Sakai Chemical Industry Co., Ltd. (Sakai) expresses its deepest sympathy for those who have been suffered from the calamity by the Tohoku district-off the Pacific Ocean Earthquake which devastated on March 11, 2011, and it sincerely hope the area will see a quick recovery.

Sakai announced today the current status of its facilities and operations.

1 . Status of area facilities and the recovery schedule

By early April, Sakai had almost finished restoring buildings and equipments at its Onahama Manufacturing Site, Yumoto Works and Otsurugi Works, all located in Iwaki City. However, it had to suspend its operation because the additional leakages caused by the aftershocks on April 11 and 12 have not allowed the industrial water supply to be resumed until April 22. The production schedule on each facility is mentioned below.

(1)Onahama Manufacturing Site : Titanium Dioxide,

Barium Salt such as Barium Sulfate and Barium Carbonate

- The production has started since April 24. Titanium dioxide products need to be waited until the industrial sea water supply resumes which is expected sometime in May.

(2)Yumoto Works : Zinc Oxide, Zinc Dust

- The production has started in early April. Though it stopped because of the electricity shutdown on April 11, it has resumed on April 19 again.

(3)Otsurugi Works : Dielectric Materials, Fluorescent Materials for Flat Panel Display

- The production of dielectric materials has started with limited scale since early April. Then the full scale production has started since April 25. The production of fluorescent materials for Flat Panel Display has started in full scale since early April.

2 . Impact upon operating results

At this moment, approximately 1.3 billion yen is assumed as the amount of losses such as the damages on its facilities and equipments, the disposition of inventory, the cost of recovery works, and the operating losses derived by the suspended production until the end of March. This amount will be reflected on financial results ended as of March 2011. The impact after April 1 will be announced sometime later.