

**FY2011/3 First Quarter Results Briefing (Performance Explanation Meeting)
Principal Questions and Answers**

Q1: Given that you have approximately ¥430 billion of cash on hand, while you require cash to redeem bonds at the end of the fiscal year, could you explain your policy regarding cash management issues, including the buyback of your own shares?

A1: After examining the situation during the first half of the fiscal year and considering our prospective cash position during the latter half of the year and over the medium term, we expect to be in a position to make general plans with respect to such issues as the buyback of our shares and the level of our cash dividends.

Q2: Were you able to restore the operating profitability of your digital camera operations?

A2: While we recorded robust sales in terms of unit volume, the negative impact of such factors as the depreciation of the euro ultimately kept revenue to roughly the same level as expenses.

Q3: In view of your plans to make ¥40.0 billion in capital investments in your flat panel display materials operations, how much are you expecting these investments to increase your depreciation?

A3: Because we have made considerable progress in depreciating our existing facilities, the impact of putting new production facilities into operation will not lead to an increase in the depreciation of our flat panel display materials business.

Q4: Your workforce has been expanding. In what regions are you adding people?

A4: We added roughly 1,200 employees in manufacturing operations in China.

End