

# Supplementary Materials for Financial Results ended March 2008

## Returning Profits to Shareholders

 JAPAN PURE CHEMICAL CO.,LTD

—April 2008—

For the fiscal year ended March 2008, we made annual dividend payments at a **payout ratio** of 39.1%, or 8,000 yen per share. As a result, the **dividend on equity (DOE) rate** was 8.1%.

Furthermore, we decided to return a portion of the funds retained to shareholders through expeditious purchases of treasury stocks and other means. In the fiscal year ending March 2009, plans call for **a maximum purchase of 750 shares (300 million yen) in treasury stocks.**

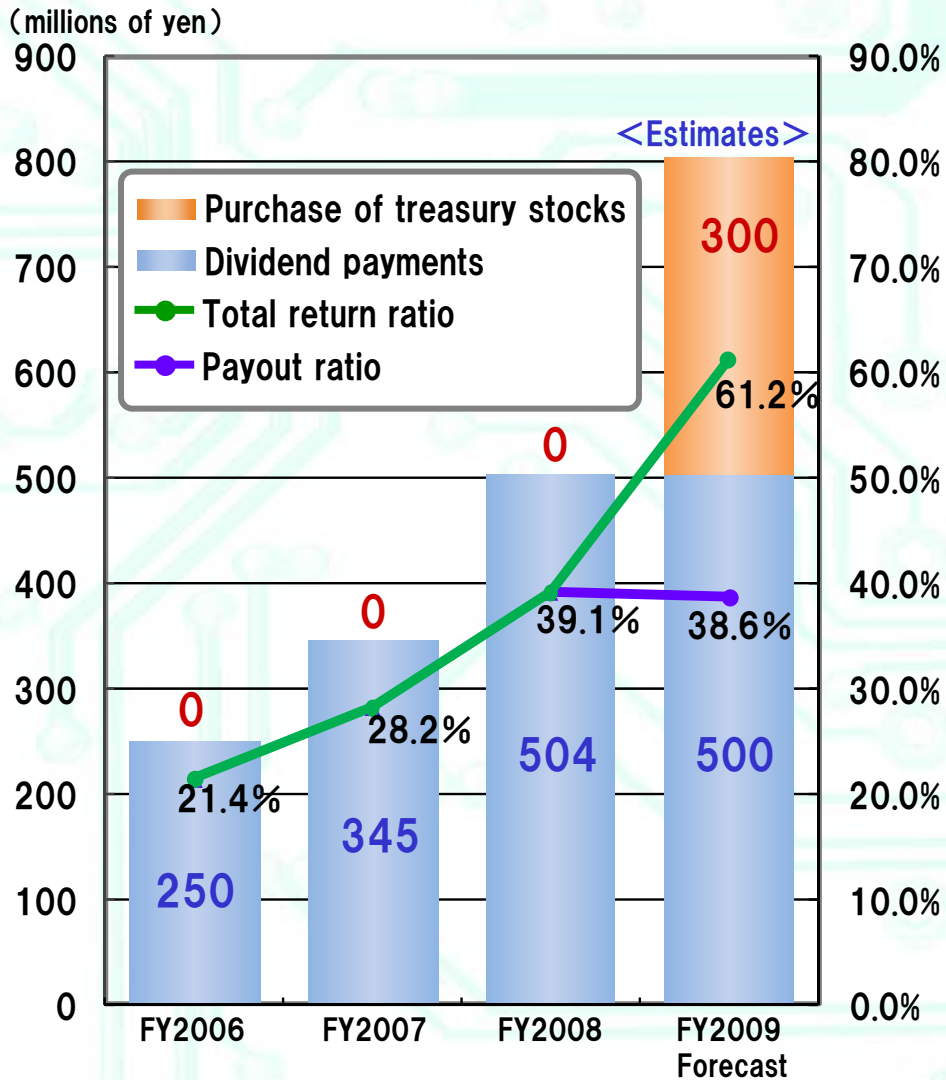
As a result, we intend for **annual returns to amount to approximately 800 million yen**, including some 500 million yen (8,000 yen per share) in annual dividend payments, with **a shareholder return rate amounting to approximately 60% or more.**

※ Payout ratio = Dividend payments ÷ Net profits × 100 *[504M ÷ 1,288M = 39.1%]*

※ Dividend on equity = Annual dividend payments ÷ Shareholder's equity =  
Payout ratio × Return on equity *[39.1 × 20.7 = 8.1%]*

※ **Shareholder return rate** = Total return ÷ Net profits *[(300M + 500M) ÷ 1,307M = 61.2%]*  
Total return = (Purchase of treasury stocks + Dividend payments)

## Shareholder Return and Ratio



## DOE

