

**Dow Corning Corporation**  
**Condensed Consolidated Statements of Income**  
*(in millions of U. S. dollars)*  
*(Unaudited)*

	<b>Three Months Ended March 31,</b>	
	<b>2005</b>	<b>2004</b>
Net Sales	\$ 982.5	\$ 814.3
Operating Income	208.0	100.0
Net Income	135.9	52.2
 <b>Adjustments for certain items:</b>		
Credits for early payment of certain Chapter 11 obligations, before tax	(5.3)	-
Adjusted Operating Income	202.7	100.0
Credits for early payment of certain Chapter 11 obligations, after tax	(3.3)	-
Adjusted Net Income	132.6	52.2

**Dow Corning Corporation**  
**Condensed Consolidated Balance Sheets**  
*(in millions of U. S. dollars)*  
*(Unaudited)*

<i>Assets</i>	<b>March 31, 2005</b>	<b>December 31, 2004</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 322.2	\$ 322.0
Marketable securities	396.9	298.5
Receivables, net	644.7	625.8
Anticipated implant insurance receivable	27.4	30.8
Inventories	429.5	425.0
Other current assets	140.1	126.2
<b>Total current assets</b>	<u><b>1,960.8</b></u>	<u><b>1,828.3</b></u>
<b>Property, Plant and Equipment, Net</b>	<b>1,374.0</b>	<b>1,422.9</b>
<b>Anticipated Implant Insurance Receivable</b>	<b>277.0</b>	<b>277.0</b>
<b>Restricted Investments</b>	<b>54.8</b>	<b>55.8</b>
<b>Marketable Securities</b>	<b>37.6</b>	<b>57.3</b>
<b>Other Assets</b>	<u><b>1,148.4</b></u>	<u><b>1,175.1</b></u>
	<u><u><b>\$ 4,852.6</b></u></u>	<u><u><b>\$ 4,816.4</b></u></u>
 <i>Liabilities and Stockholders' Equity</i>		
<b>Current Liabilities:</b>		
Short-term borrowings	\$ 15.0	\$ 13.9
Accounts payable	286.2	278.4
Other current liabilities	452.5	485.7
<b>Total current liabilities</b>	<u><b>753.7</b></u>	<u><b>778.0</b></u>
<b>Other Liabilities</b>		
Long-term debt	57.8	60.2
Implant reserve	1,869.6	1,884.9
Other liabilities	777.6	775.3
<b>Total other liabilities</b>	<u><b>2,705.0</b></u>	<u><b>2,720.4</b></u>
<b>Minority Interest in Consolidated Subsidiaries</b>	<u><b>150.3</b></u>	<u><b>171.6</b></u>
<b>Stockholders' Equity</b>	<u><b>1,243.6</b></u>	<u><b>1,146.4</b></u>
	<u><u><b>\$ 4,852.6</b></u></u>	<u><u><b>\$ 4,816.4</b></u></u>