

“For Tomorrow 2015”
Mid-term Management Initiative
(FY2011–2015)
progress and outlook

May 21, 2012
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President
Asahi Kasei Corporation

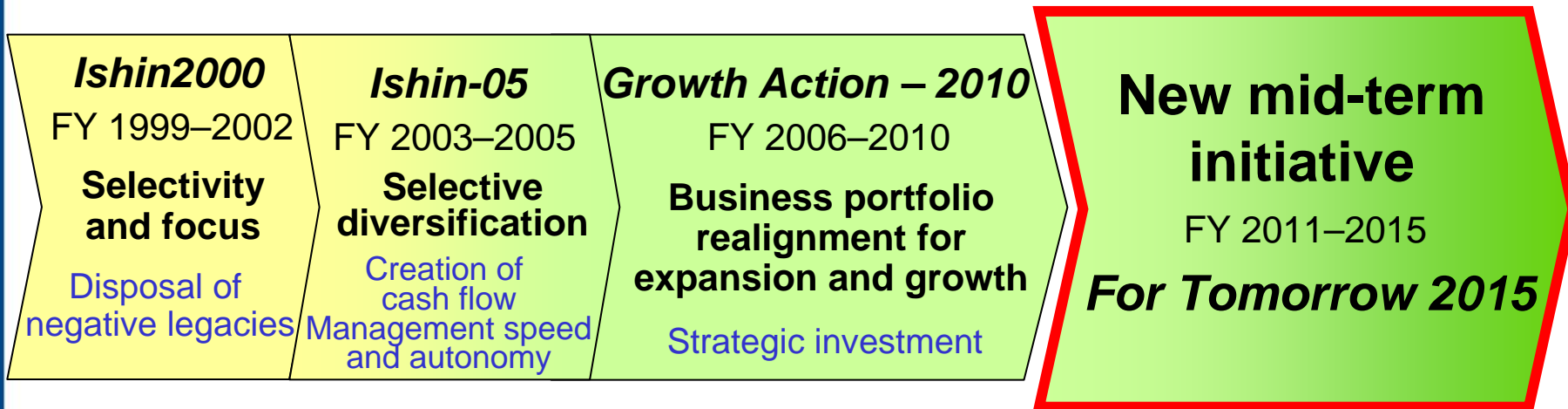
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Disclaimer:

The forecasts and estimates shown in this document are dependent on a variety of assumptions and economic conditions. Plans and figures depicting the future do not imply a guarantee of actual outcomes.

1. Outline of “For Tomorrow 2015”

Positioning of “For Tomorrow 2015”



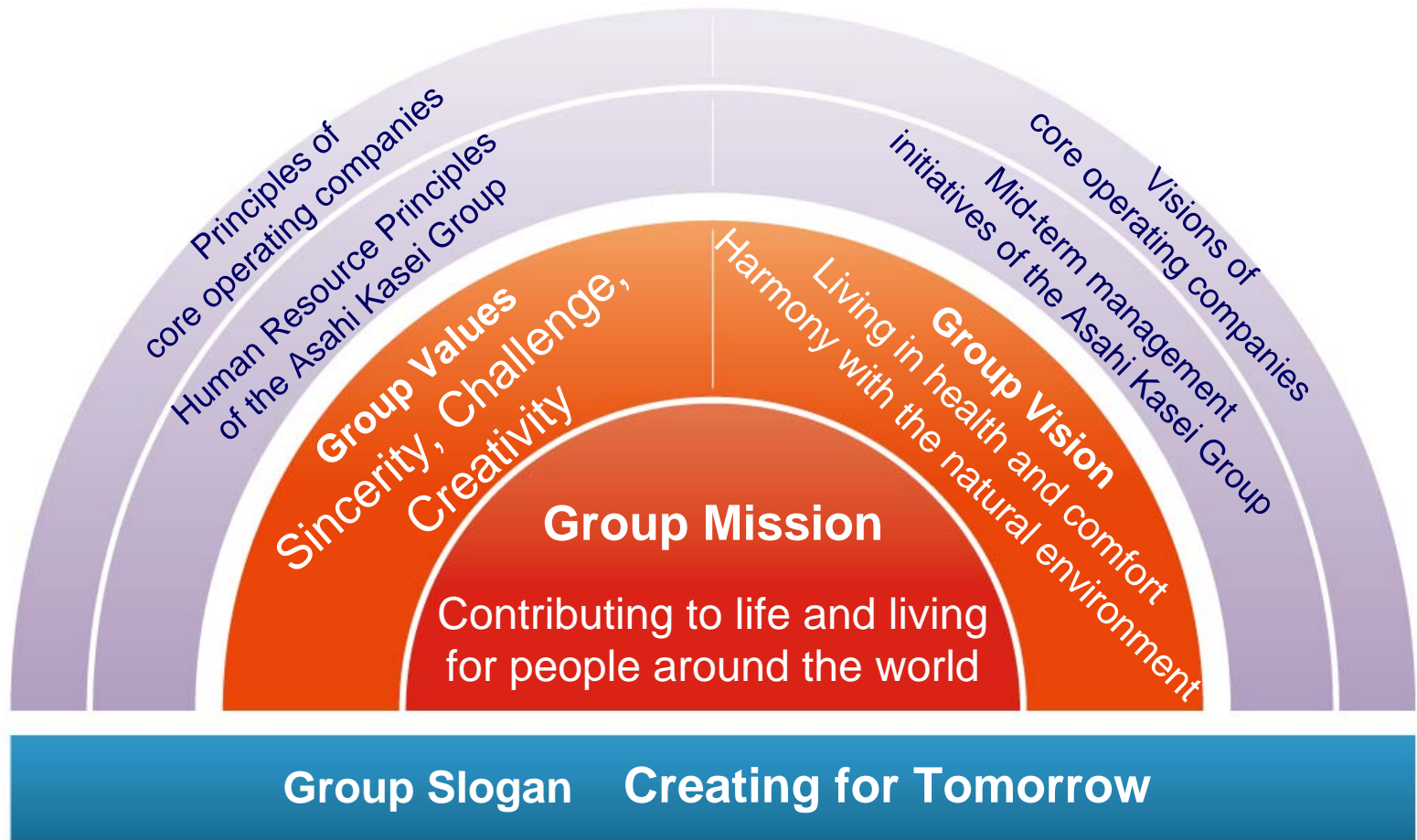
Overview of Growth Action – 2010

- Drastic changes in the economic climate resulted in partial underachievement of plans.
 - Initial targets not met
 - Strategy for further growth not completed
- Improvement in financial constitution providing sufficient strength for large investments in growth fields.



Framework of For Tomorrow 2015

- Go “back to basics” and determine the proper course of action in order to continue to offer value to the world
- ✓ Consider economic climate and trends
 - ✓ Find the appropriate way for Asahi Kasei
 - ✓ Pursue growth in our own way

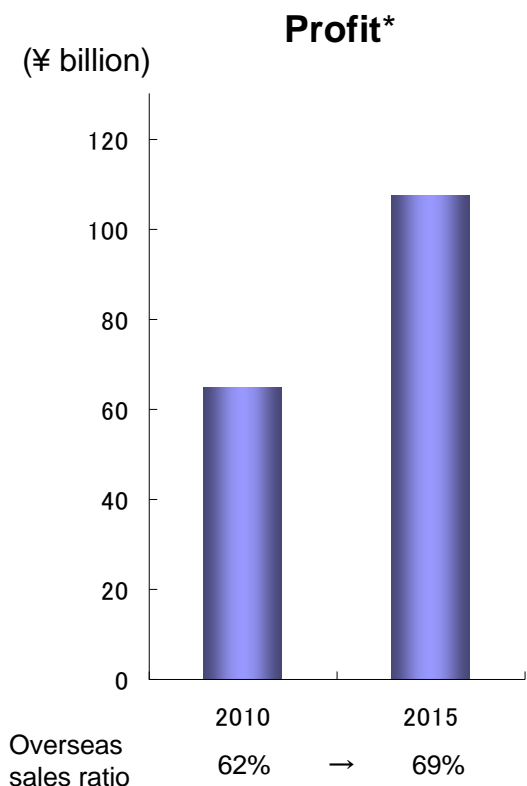


- Group Mission** The Asahi Kasei Group’s unchanging reason for being
- Group Values** Shared values that must be held by the people who work in the Asahi Kasei Group
- Group Vision** The direction in which Asahi Kasei Group business activities advance



Expand businesses to serve global demand growth

Proactive expansion of global No. 1 & No. 2 businesses to serve global demand growth in emerging markets



Chemicals & Fibers

- Acrylonitrile (AN)
- Solution-SBR (S-SBR)
- Bemberg™ regenerated cellulose
- Roica™ elastic polyurethane filament

Electronics

- Hipore™ Li-ion battery separator
- Sunfort™ dry film photoresist
- Electronic devices, such as LSIs, Hall elements, and products fusing LSIs & sensors

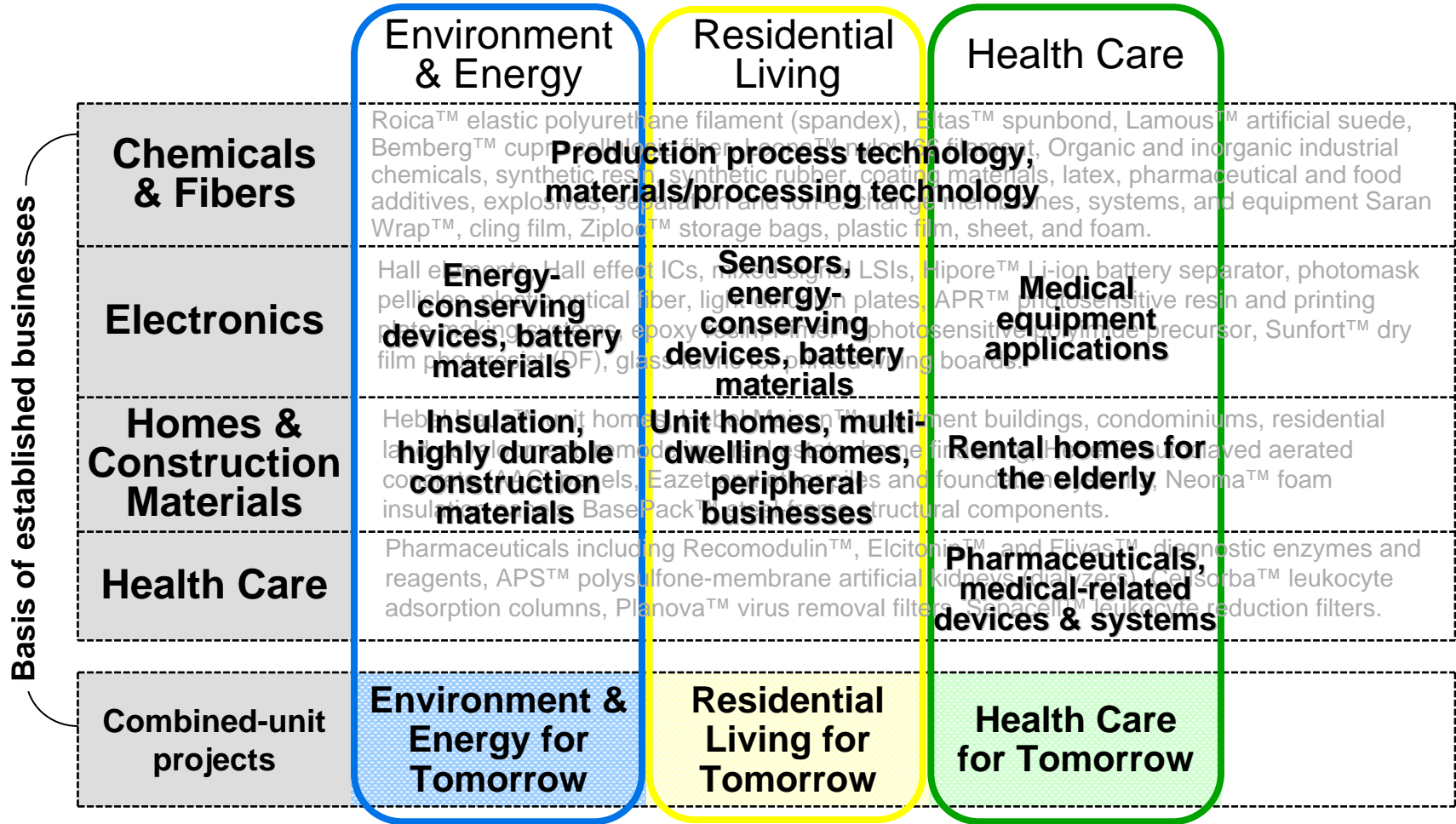
Health Care

- Artificial kidneys
- Planova™ virus removal filters

* Operating income of each business plus equity in earnings of AN affiliates.

Creation of new social value

Fields of focus



Combining businesses across different business units, responding to new social needs.

Creation of new value through “For Tomorrow” projects

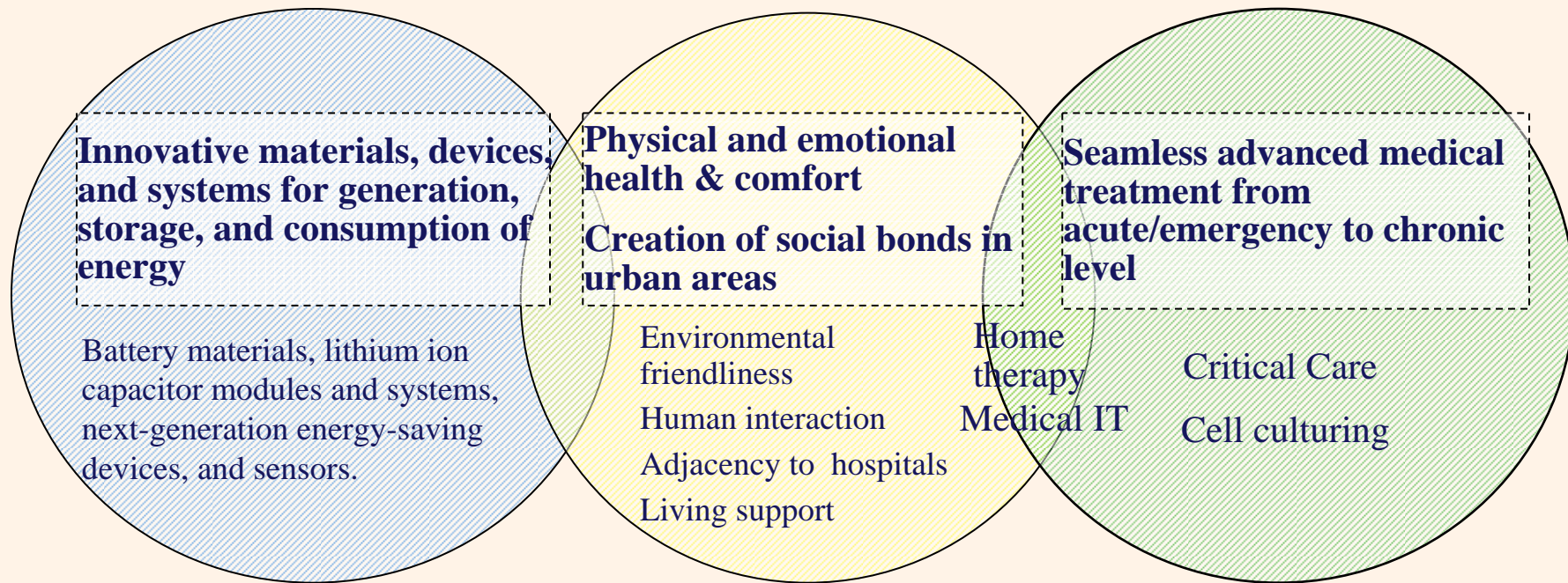
In anticipation of emerging social needs, Asahi Kasei will offer distinctive solutions that make the most of its diversity in business and technology.

Group configuration for combined-unit projects

**(i) Environment & Energy
for Tomorrow**

**(ii) Residential Living
for Tomorrow**

**(iii) Health Care
for Tomorrow**



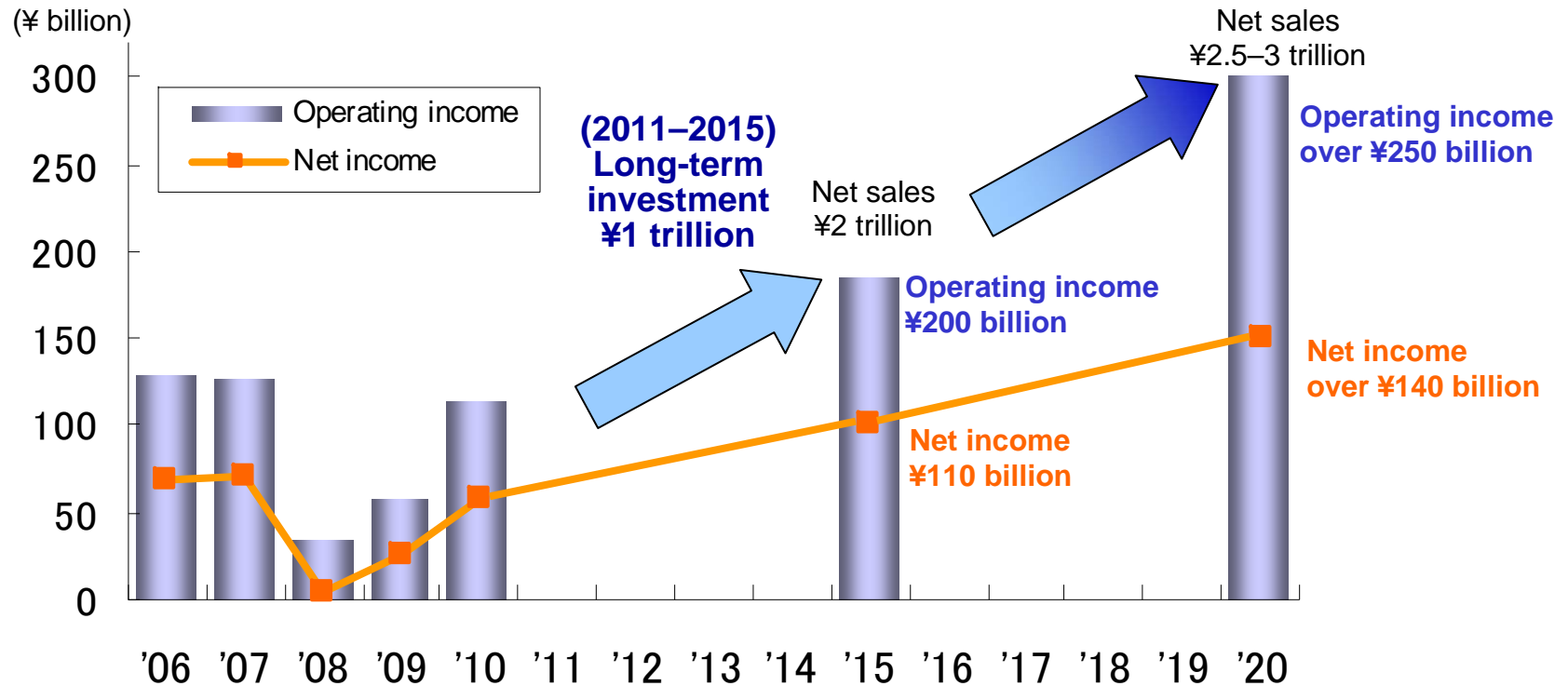
*New value
for 21st
century society*

Harmony with the natural environment

Living in health and comfort

Vision for the Asahi Kasei Group

Offering new value based on *living in health and comfort and harmony with the natural environment* in anticipation of changing social needs. Continuously enhancing the corporate value of the Asahi Kasei Group.



ROE	9%
ROIC	7%
Overseas sales ratio (excl. Homes & Const. Mat.)	28% (39%)

≥10%
≥7%
32% (45%)

Aiming at continuous dividends increase, with basic standard for payout ratio of 30%

2. Progress to date

Action taken and decisions made in FY 2011

Asahi**KASEI**

- **Acrylonitrile**: new plants in Thailand and Korea, and study of new plant in Saudi Arabia
- **S-SBR**: construction of 1st and 2nd lines in Singapore
- **Dry film photoresist**: establishment of technology center in Suzhou, China, and construction of new plant in Changshu, China
- **Electronic devices**: start of project to develop new products and enhancing the framework of global expansion
 - **Hipore™**: production base enhancement
 - **Duranate™**: sales expansion of water-borne grades
- **Teribone™**: market launch
- Alliance with **tella, Inc.**
- Acquisition of **ZOLL Medical Corporation**
- **Recomodulin™**: Nationwide sale and overseas development
 - **Famvir™**: application for approval for additional indication of herpes simplex
 - Development of **Aclasta™ zoledronic acid**
 - **Artificial kidneys**: study of capacity expansion and alliance
- Development of **IR sensors and electric current sensors**
 - Opening of “**HH2015**” demonstration house
- Development of **heat-generating elastic yarn**
- **Leona™**: weight-saving automotive applications
 - **Neoma™ and Jupii™**: development and capacity expansion
- **LIC business**: establishment of joint venture
 - Acquisition of **Crystal IS** of the US
 - **Frosch™** dishwashing detergent: Japanese market launch
 - **Spunbond**: new plant in Thailand
 - Establishment of **Asahi Kasei Fudousan Residence**
 - **Hebel Maison™**: launch of apartment buildings which support raising children
 - **Hebel Haus™**: launch of Soranoma Plus featuring semi-outdoor space
 - **Hebel Haus™**: launch of product with a third-floor patio for family gathering

Action taken and decisions made in FY 2011

Asahi**KASEI**

World-leading businesses

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Health care-related

- **Teribone™**: market launch
- Alliance with **tella, Inc.**
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Investment of some ¥300 billion

- Development of **IR sensors** and **electric current sensors**
- Opening of "**HH2015**" demonstration house
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Environment/energy-related

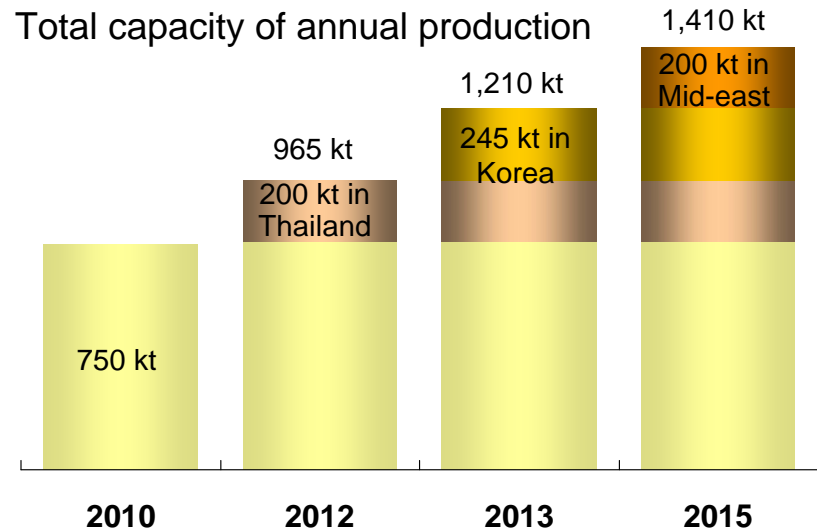
Residential living-related

Acrylonitrile* (AN)

- ✓ Meeting demand growth in Asia as the No.1 supplier
- ✓ Proactive expansion with world's best catalyst and production process technology
 - Thailand: - world's first propane-process AN plant
- high-level cost competitiveness with procurement of low-cost feedstock
- ramping up operation
 - Korea: 245 kt/y expansion; start-up in January 2013
 - Mid-east: new plant under study



Establishment of global No.1 supply position



Market share in Asia 25% 40%

* Raw material for acrylic fiber (used in blankets and sweaters), ABS resin (used in household appliances and automobiles), etc.

Teribone™ osteoporosis drug

AsahiKASEI

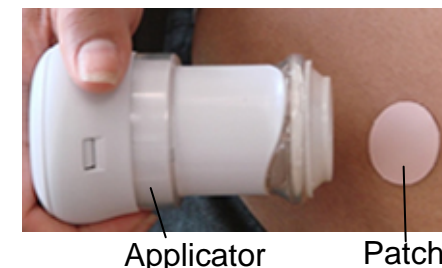
- ✓ Synthetic human parathyroid hormone (PTH) preparation that facilitates bone formation, developed in house
 - High efficacy in preventing bone fracture
 - Once-weekly administration; minimal burden for patients
- ✓ Over 11 million people estimated to have osteoporosis in Japan, including those not treated

Major contribution to society by reducing risk of fracture that results in confinement to bed

- ✓ Market launch in November 2011
 - Good reputation, sales ramping up
 - Sales forecast in FY 2012: ¥14.1 billion



Transdermal patch formulation for greater convenience for patients



Hipore™ LIB* separator

AsahiKASEI

Expansion as the No.1 supplier in line with market growth in smartphones, tablet PCs, and automotive applications

Production

- ✓ Hyuga, Miyazaki Pref.
 - Addition of two new lines in H1 2011
 - Further new line, the world's largest, under construction (start-up in spring 2013)
- ✓ Investment for high-function separator in Moriyama, Shiga Pref.
- ✓ Establishment of processing facility in Korea

↓

Total production capacity

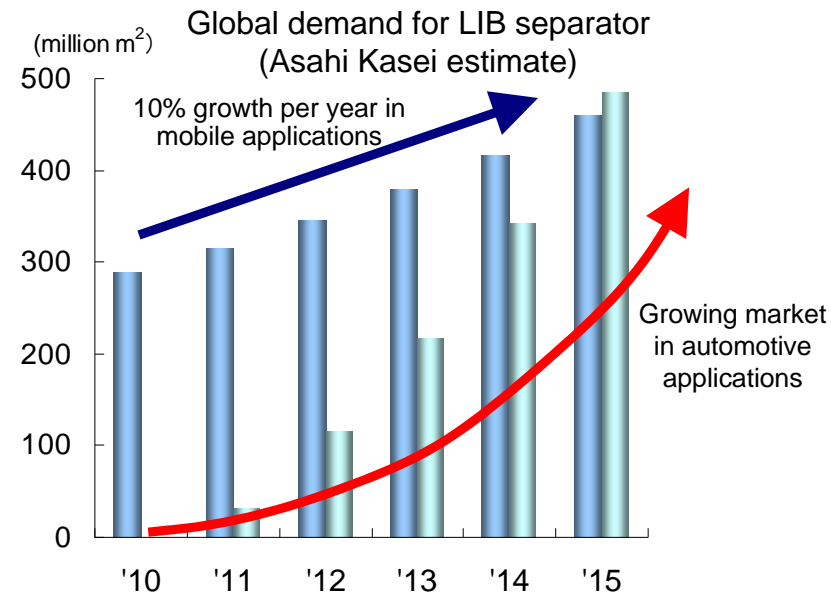
End of FY 11 → FY 13

about 200 million m²/y about 250 million m²/y

Marketing

- ✓ Mobile applications
 - High market share in growing Korean market
- ✓ Automotive applications
 - Supplying some customers now, evaluation in progress at other major Japanese and Korean LIB manufacturers

* Lithium-ion rechargeable battery



Demonstration house “HH 2015”

Energy-saving,
low-carbon,
exterior zone



Transpiration louver, etc.

Natural
energy
zone



Bifacial solar panels, etc.

Shared-
house
zone



Communication board, etc.

Home healthcare
zone



Home dialysis, etc.

Pet dwelling zone



Pet monitoring system, etc.



“HH 2015” demonstration house

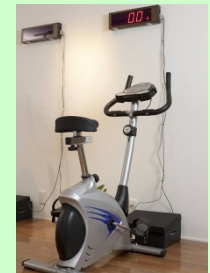
Completed in Dec. 2011
and opened in Feb. 2012

Plant-growing
zone



Kitchen with hydroponic culture system, etc.

Low-carbon
zone



stationary bike-type power generator, etc.

Asahi Kasei’s setting to showcase the latest technology that responds to changes in society, focusing on synergy among various operations within and outside the Asahi Kasei Group.

Progress of the “For Tomorrow” projects AsahiKASEI

Accelerating the creation of new businesses through alliances with other companies and M&A

Environment/energy-related

- ✓ Lithium ion capacitor – joint venture with FDK Corp.

Acceleration of business related to the LIC, a next-generation energy storage device with high capacity, through the establishment of Asahi Kasei FDK Energy Device Co., Ltd.

- ✓ Development of UV-LEDs – acquisition of Crystal IS, Inc.

Developing ultraviolet light emitting diodes (UV-LEDs) by using high-quality aluminum nitride substrates. Studying new applications, e.g. disinfection devices.

Health care-related

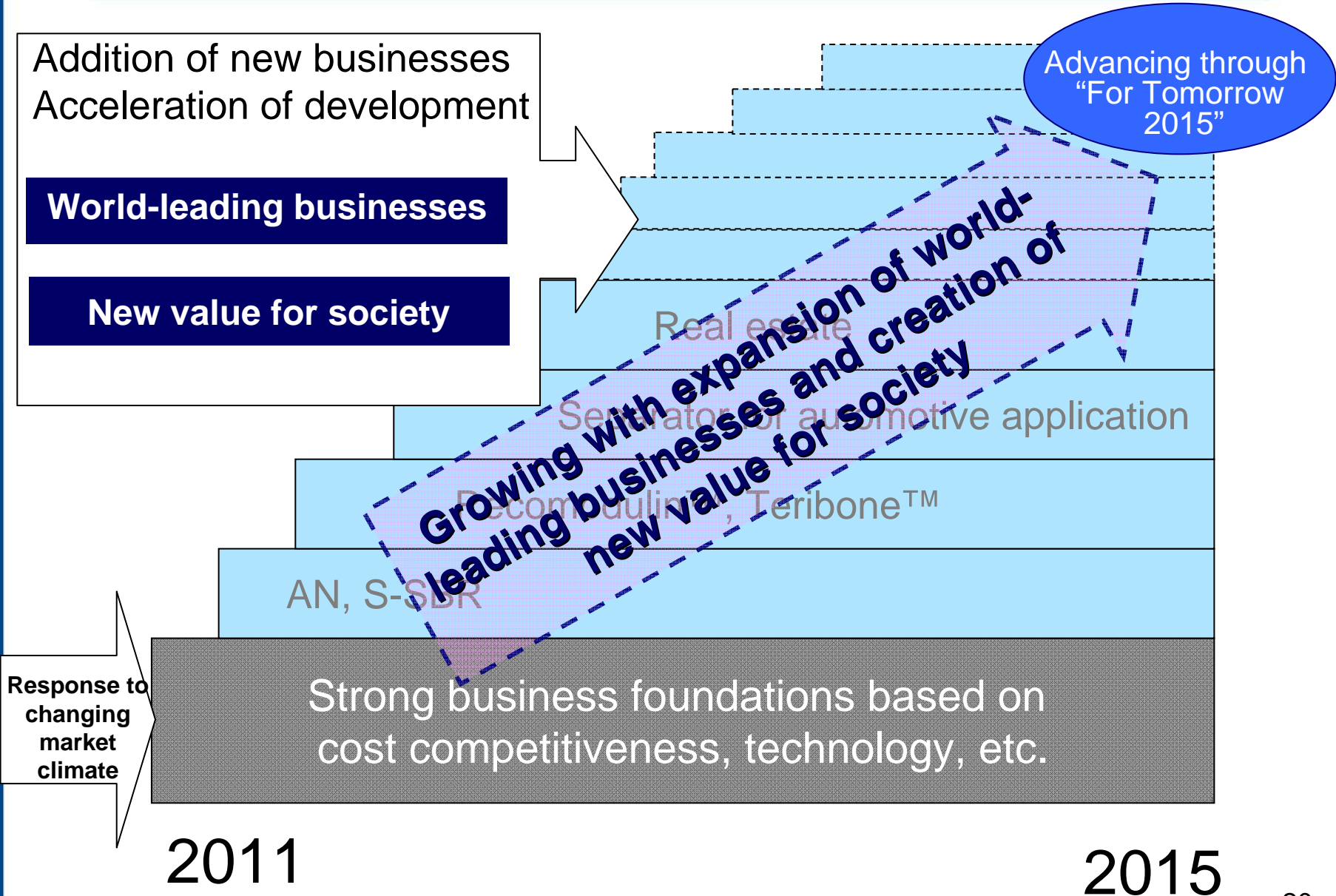
- ✓ Development of cell processing equipment – alliance with tella, Inc.

Making cell therapy for cancer treatment more practical by combining Asahi Kasei's technology in membrane separation and bioprocessing, and tella's technology in dendritic cell therapy.

- ✓ **Entry into critical care business – acquisition of ZOLL Medical Corporation**
A new advance for Asahi Kasei

3. Forthcoming steps

Forthcoming steps



Forthcoming steps

✓ Changes after formulation of mid-term initiative

- Extreme strength of Japanese yen
Lowered profitability of export business, sluggish domestic demand, increased low-profit exports
- Slowing global economy due to sovereign debt crises in Europe
Contracted demand for commodity chemicals and electronic products, and increased competitiveness in the market.

✓ Response of Asahi Kasei

- Accelerating progress of the mid-term management initiative
 - Overseas development of global-leading businesses to decrease the negative impact of exchange rate.
 - Creating new value for society that is less influenced by the global economy
- Aggressive strategies for cutting costs
 - Enhancing efficiency of work in sales and R&D
 - Reducing cost ratio through higher production efficiency and more advantageous procurement terms
 - More efficient physical distribution



Aiming to cut costs by over ¥20 billion

Development of world-leading businesses

✓ Acrylonitrile (AN)

- Capacity expansion aiming to be the global No.1 supplier
 - Full operation of joint plant in Thailand at an early date
 - Smooth start-up of additional plant in Korea, Tong Suh Petrochemical
 - New capacity of joint plant in Saudi Arabia under consideration

✓ Synthetic rubber

- Aiming to be the global No.1 supplier of S-SBR with sales expansion in rapid growing market of fuel-efficient tires
 - Start-up of 1st and 2nd production lines in Singapore as planned
 - Study of next expansion overseas
 - Development and validation of BB-FLEX* technology

* Technology to produce butadiene from butene gas

Other world-leading businesses, such as Hipore™, LSIs, and medical devices are described in “Creation of new value for society” beginning on the next page

Creation of new value for society: Environment/energy-related field

- ✓ Hipore™ Li-ion battery separator
 - Successive capacity expansions and maintaining leading position
 - Shift into full swing in automotive applications; market launch of dry-process separator and high-function separator
 - Maintaining world's top share in mobile applications by meeting each customer's needs
- ✓ LSIs
 - Expansion based on creation of No.1 products in each category; (electronic compass, electric current sensor, infrared sensor, etc.)
 - Concerted effort to increase supply to major global manufacturers with overseas design and marketing functions
- ✓ Expansion of water-treatment membranes and insulation panels
- ✓ Market launch of new products
 - Expansion of LIC business of Asahi Kasei FDK Energy Device
 - Development of UV-LED applications based on technology of Crystal IS

Creation of new value for society: Residential living-related field

✓Homes

- Successive launch of houses that address social needs in mature urban markets (houses that support of child-raising, that have energy-saving and power storage features, etc.)
- Providing long-term services for the Hebel Haus™ units sold to date (remodeling and real estate operations)
- Expansion of condominium business (building consensus among stakeholders for rebuilding)
- Applying concepts from “HH 2015”

✓Construction Materials

- Expansion of insulation panel business (Jupii™ floor insulation panels, etc.)
- Meeting post-earthquake reconstruction demand

Creation of new value for society: Health care-related field

✓ Critical care

- Rapid unification and realization of synergy with ZOLL
- Execution of strategic investment

✓ Medical devices

- Global expansion and development of dialysis businesses

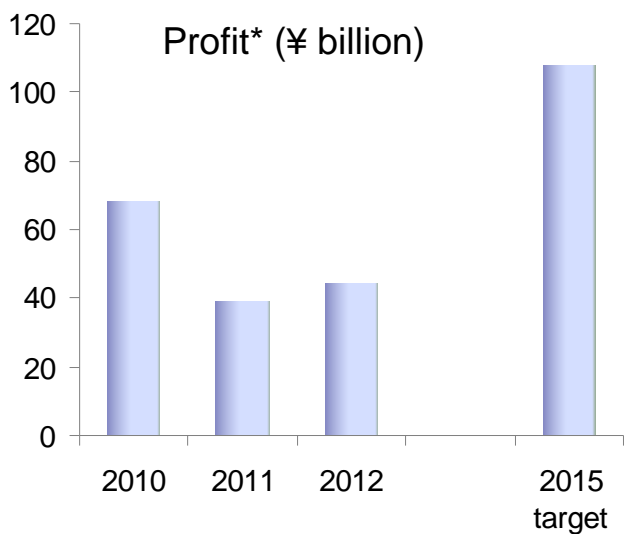
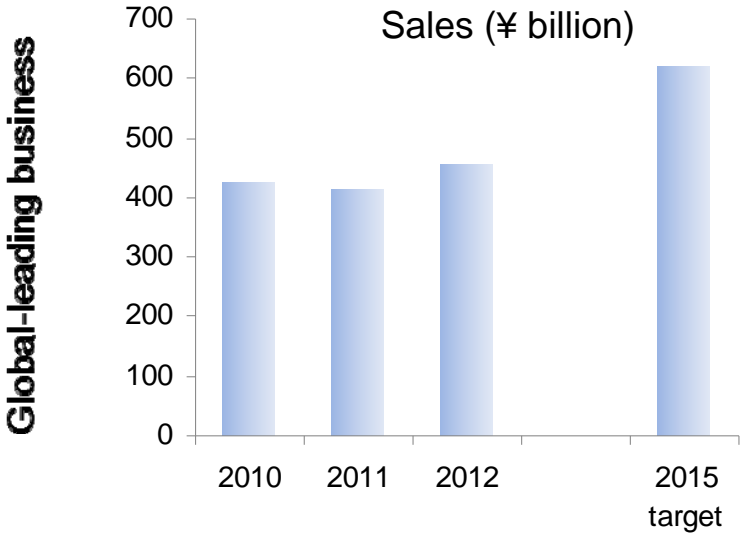
✓ Pharmaceuticals

- Aiming to be the No.1 company in the field of locomotive syndrome*
- Expansion of Reomodulin™ and Teribone™
- Successive development of new drugs, reinforcing pipeline by licensing

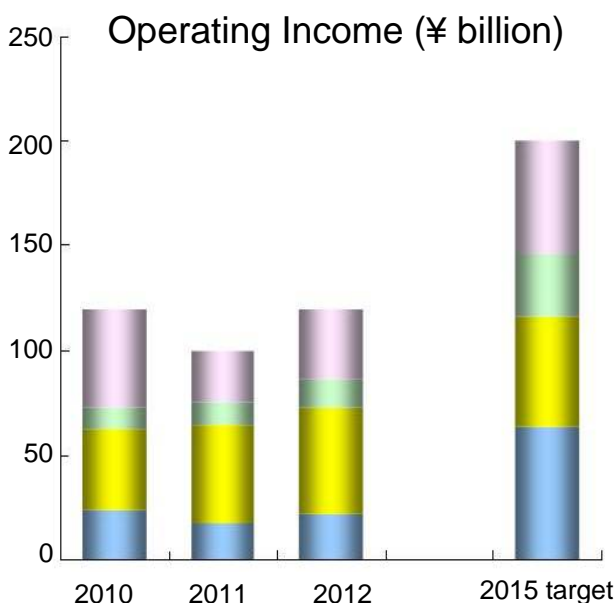
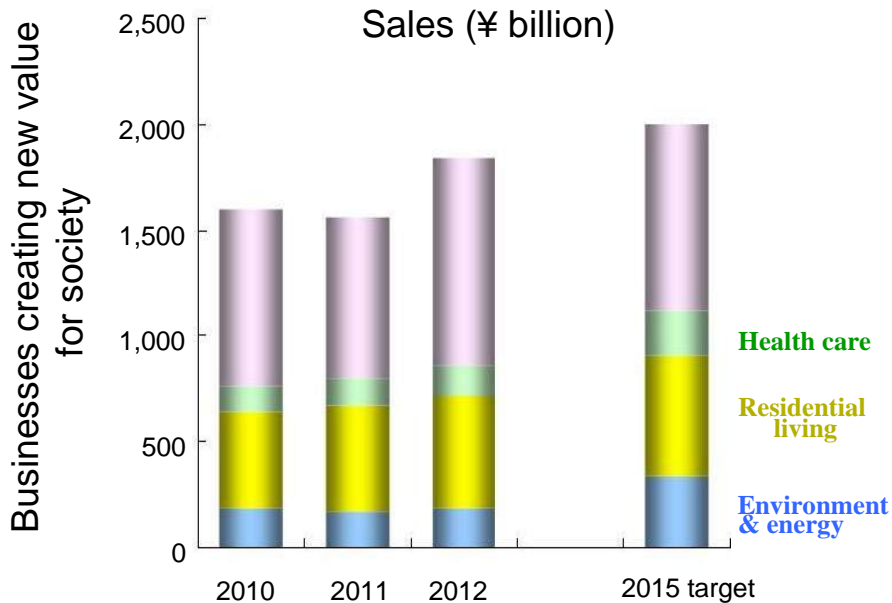
✓ Creation of new business in the field of cell therapy by joint development with tella, Inc.

* Conditions under which the elderly have been receiving care services, or high-risk conditions under which they may soon require care services, due to problems of the locomotive organs.

Performance of global-leading businesses and businesses creating new value for society



* Operating income of each business plus equity in earnings of AN affiliates.

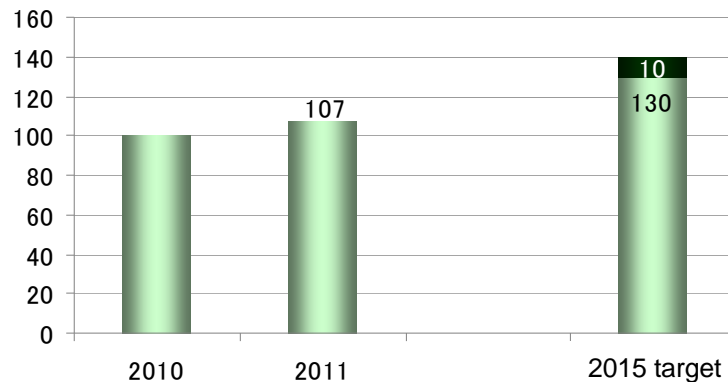


Quantitative indexes of achievement of Group Mission

Living in health and comfort

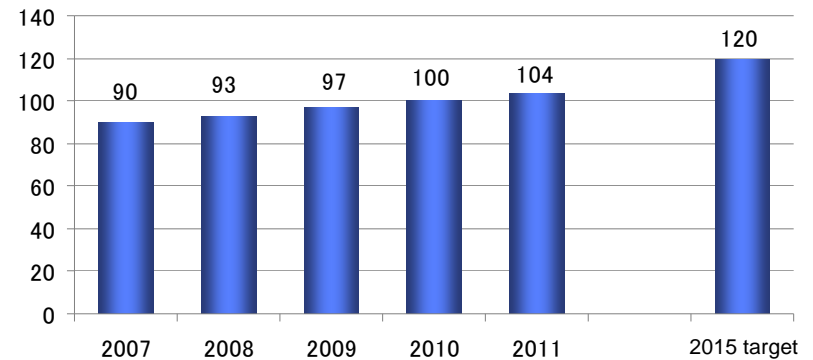
Index for number of people Asahi Kasei's health care business contributed to

- Initial 2015 target was 30% higher than 2010. This is changed to 40% due to acquisition of ZOLL.



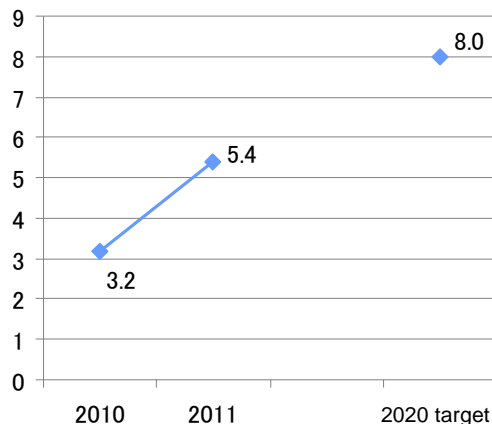
Index for number of residents in Hebel Haus™

- 2015 target: 20% higher than 2010



Harmony with the natural environment

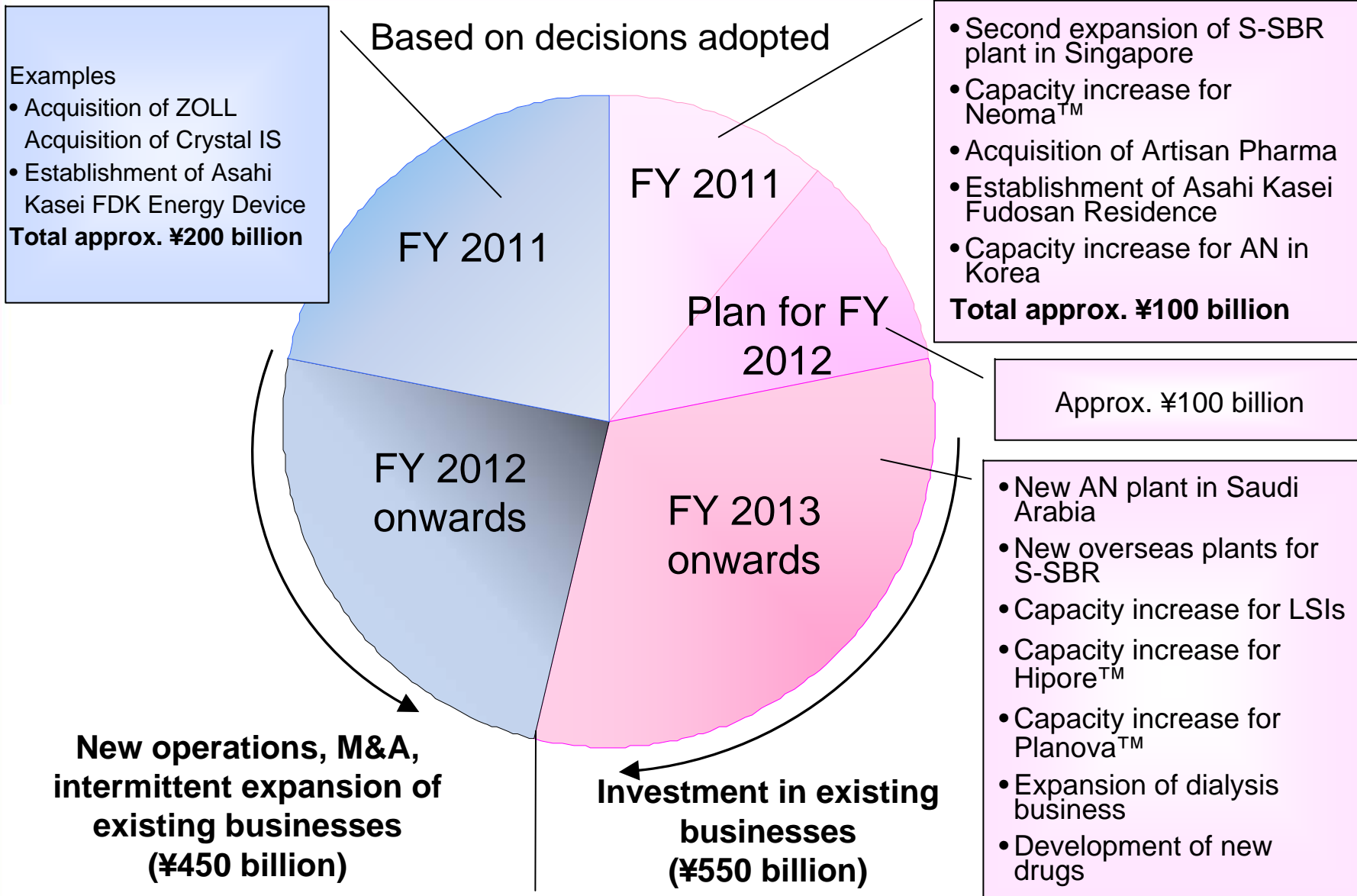
Index for CO₂ reduction based on LCA*



- Increase the level from 3.2 in 2010 to 8.0 by 2020
- 2011 achieved satisfactory level of 5.4

* CO₂ reduction in the entire product life cycle from raw material processing to disposal of the product.

Progress on investment

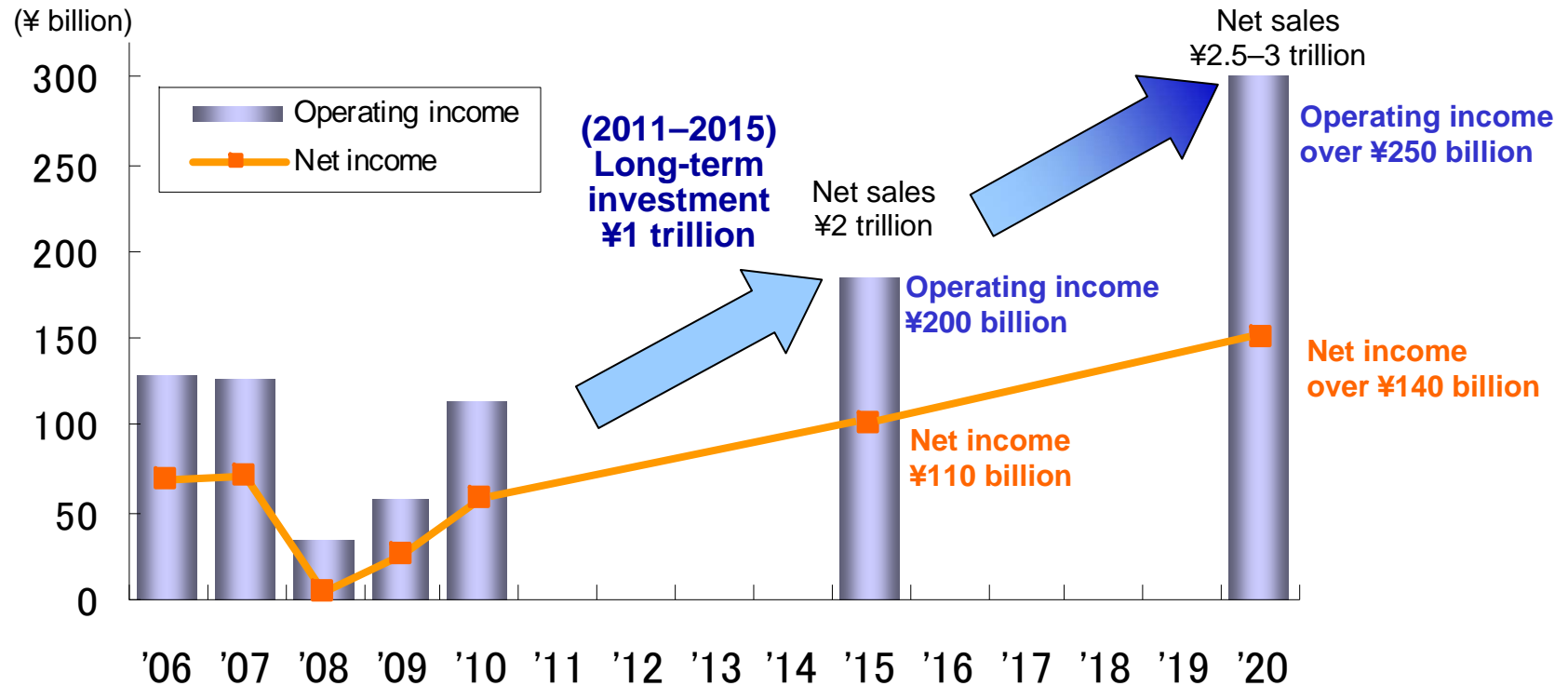


Some ¥1 trillion to be invested over the 5-year period through 2015 28

Vision for the Asahi Kasei Group

(No change from the initial plan)

Offering new value based on *living in health and comfort and harmony with the natural environment* in anticipation of changing social needs. Continuously enhancing the corporate value of the Asahi Kasei Group.



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Overseas sales ratio (excl. Homes & Const. Mat.)	28% (39%)

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4. Expansion of Health Care business with acquisition of ZOLL Medical Corporation

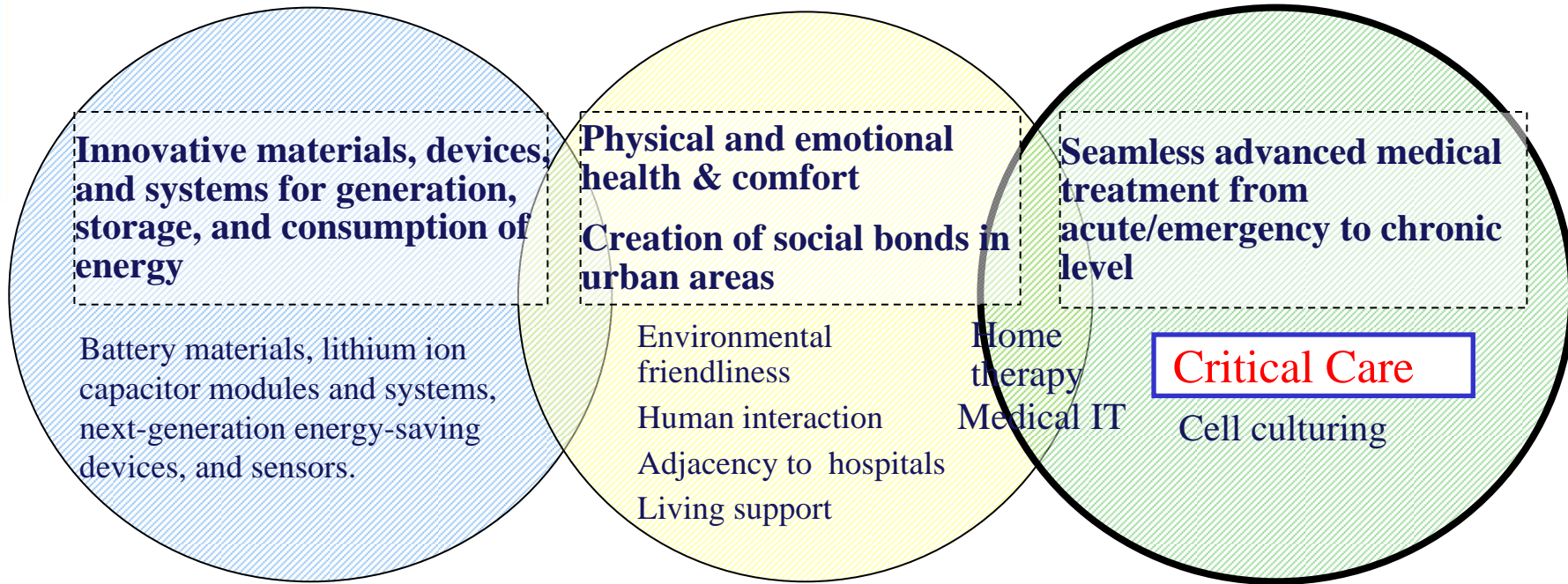
Critical Care: a core business field in our mid-term initiative

Three new projects in mid-term initiative “For Tomorrow 2015”

(i) Environment & Energy for Tomorrow

(ii) Residential Living for Tomorrow

(iii) Health Care for Tomorrow



New value for 21st century society

Harmony with the natural environment

Living in health and comfort

Motivations for advancement into Critical Care

Coherence with Asahi Kasei's Group Mission, "Contributing to life and living for people around the world"

Potential business expansion through synergy with existing health care operations

Critical Care

Stable business area due to minimal impact from government policies

Consistent global market growth

Product portfolio based on “Chain of Survival”

Chain of Survival

The essential life-saving process as set forth by the American Heart Association (AHA)



ZOLL products



LifeVest™
wearable external defibrillator

Unique, innovative medical device



RescueNet™
data management suite for fire and EMS

Leading position in the US



AutoPulse™
non-invasive cardiac support pump



AED
automated external defibrillators



Defibrillators for hospitals and EMS

Leading position in the US



Thermogard™
temperature management systems

Strong position in intravascular cooling

Combining strengths

Complimentary strengths will support development efforts in the Asia region, where strong growth is anticipated

ZOLL®

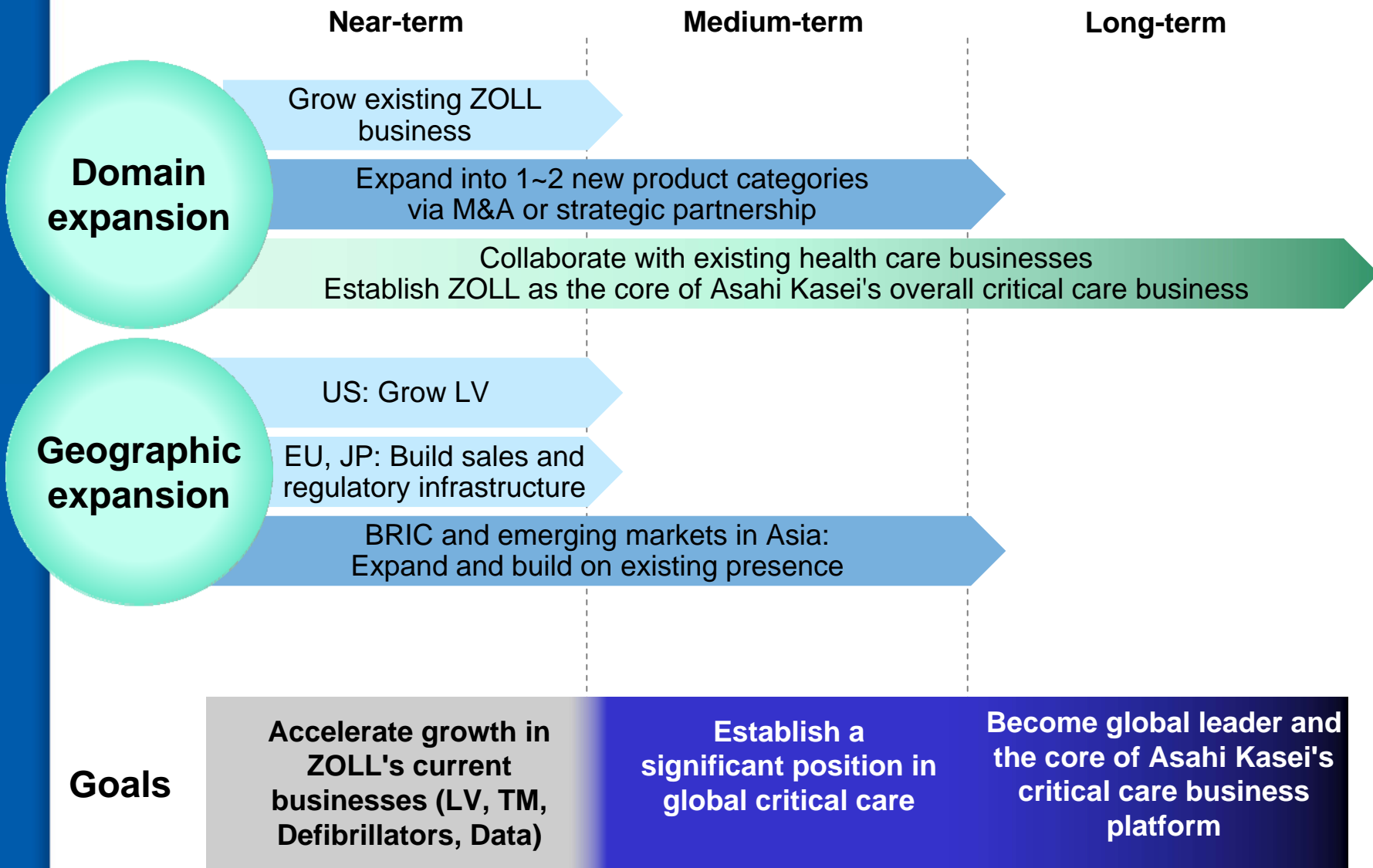
- Strong reputation and brand value in the US, highly influential in the global critical care market
- Broad product portfolio ranging from emerging products to well-established products

Asahi**KASEI**

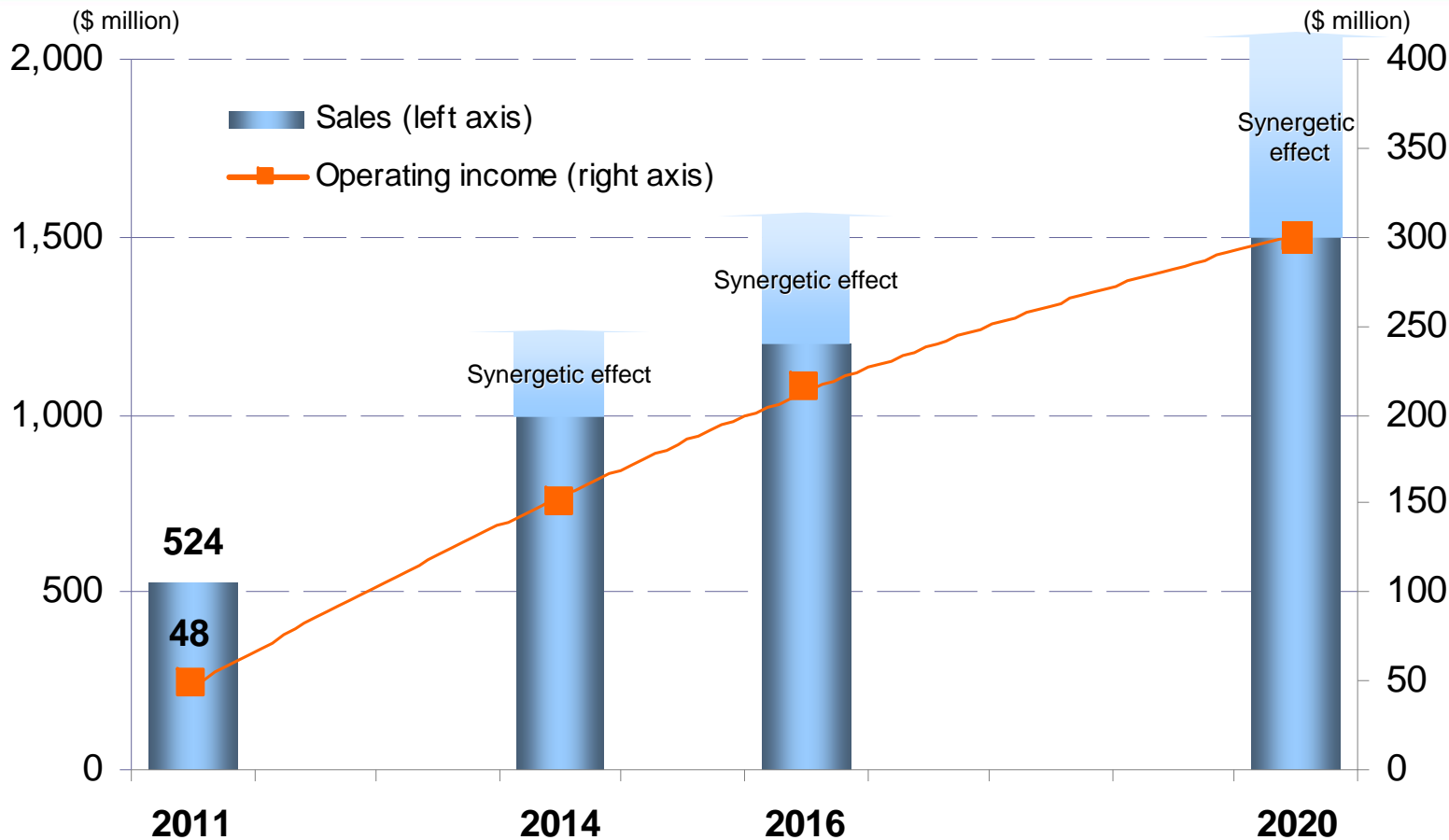
- Superior capability in marketing and product development
- Experience in dealing with medical regulations and health insurance systems through established pharmaceutical and medical device businesses in Japan & other Asia.
- Strategic investing policy
- Management support

- Accelerate critical care business expansion
- Be No. 1 in resuscitation
 - Expand product portfolio into other value-added areas of critical care
 - Make critical care a global-leading business via geographic expansion worldwide

Desired strategic initiatives (1)



Desired strategic initiatives (2)



* FY 2011 for ZOLL was from October 2010 to September 2011. Thereafter each fiscal year is from April to March

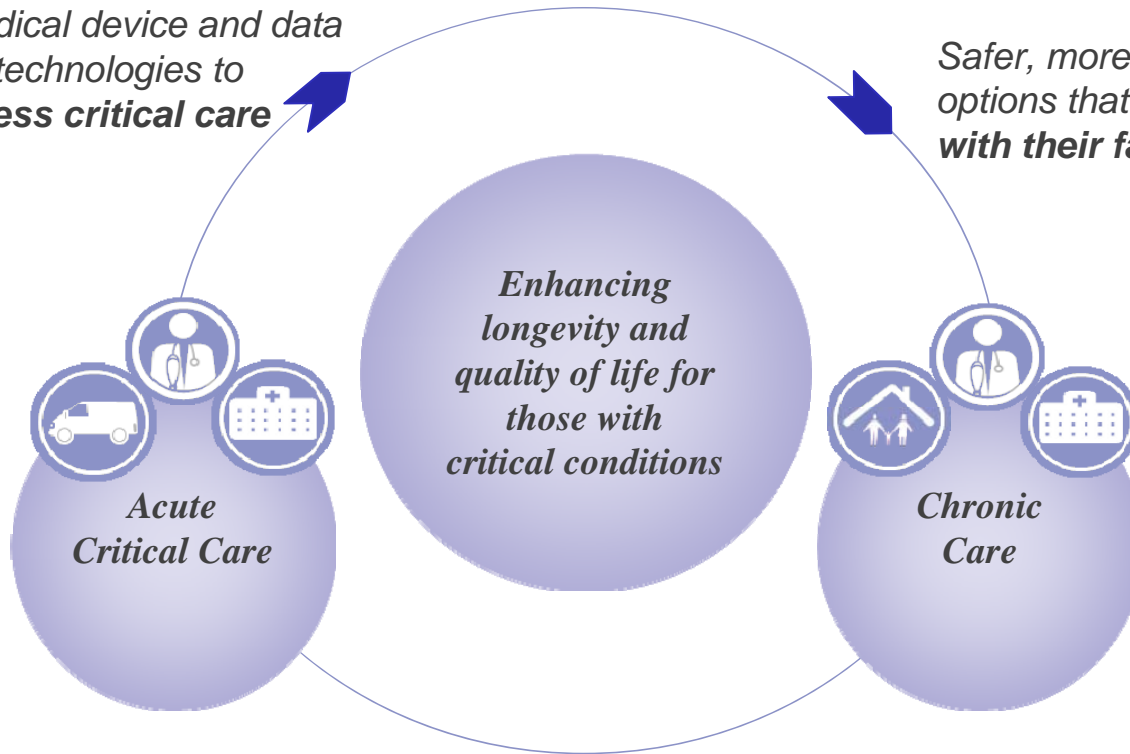
Successive investments in the critical care operation are planned to achieve business expansion along with market growth

- ✓ Growing LifeVest™ business, expanding sales in Asia.
- ✓ Specific plans being developed through ongoing discussions.

Key concepts in Health Care for Tomorrow **AsahiKASEI**

Advanced medical device and data management technologies to create seamless critical care

Safer, more effective therapeutic options that reconnect patients with their families



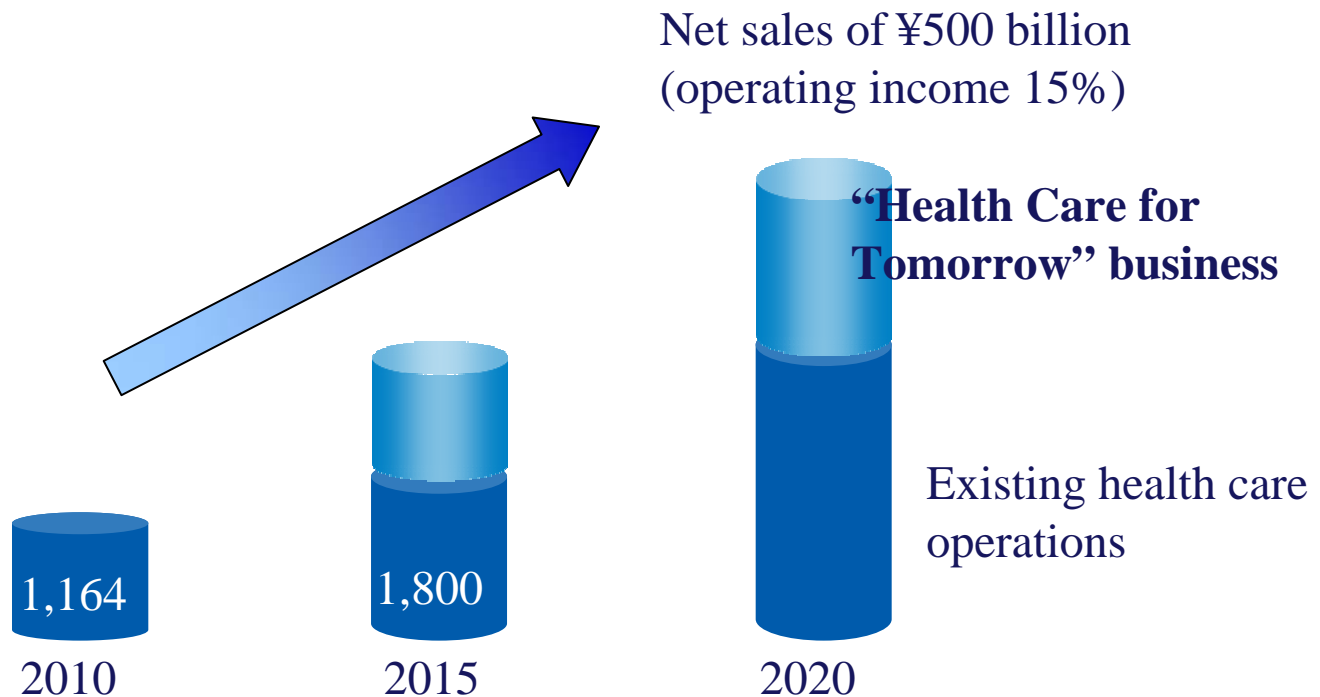
Improve global access to advanced critical care

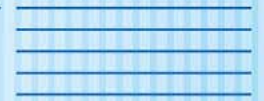
“Health Care for Tomorrow”

Adding new businesses to existing Health Care operations

For swift and effective business reinforcement, “Health Care for Tomorrow” project prioritizes establishment of a strong business platform with high potential.

Net sales of Health Care operations





Creating for Tomorrow

The commitment of the Asahi Kasei Group:

To do all that we can in every era to help the people of the world make the most of life and attain fulfillment in living.

Since our founding, we have always been deeply committed to contributing to the development of society,

boldly anticipating the emergence of new needs.

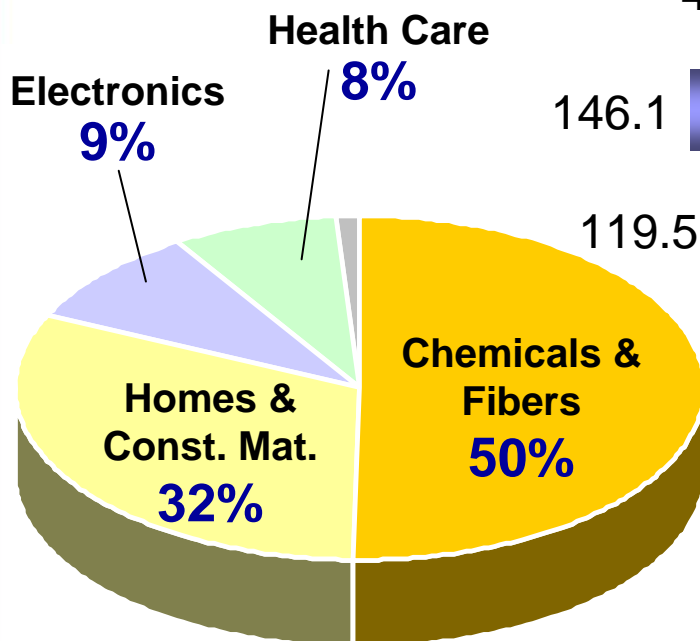
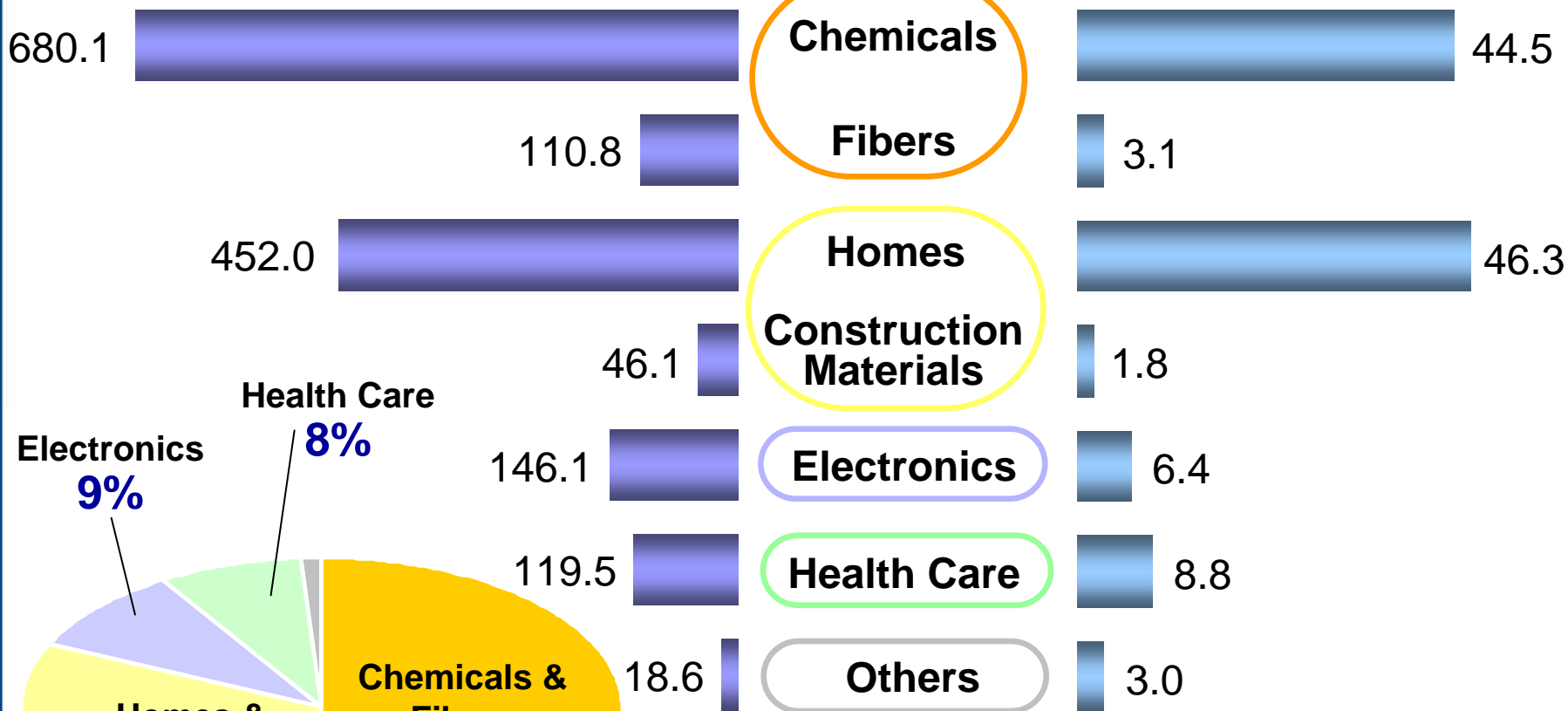
This is what we mean by “Creating for Tomorrow.”

Reference

Sales and operating income by segment

Sales: 1,573.2

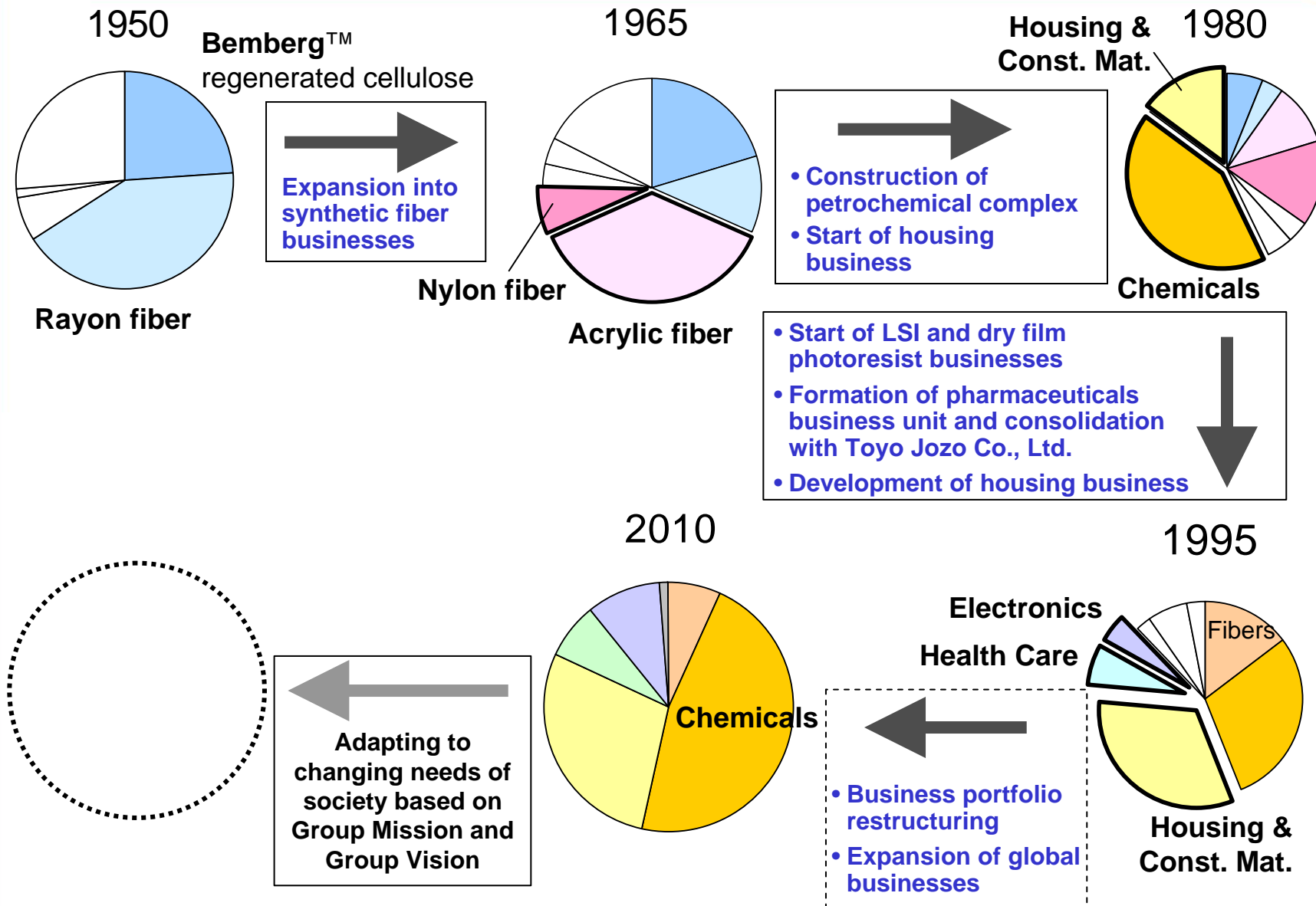
Operating Income: 104.3



FY11 results, ¥ billion

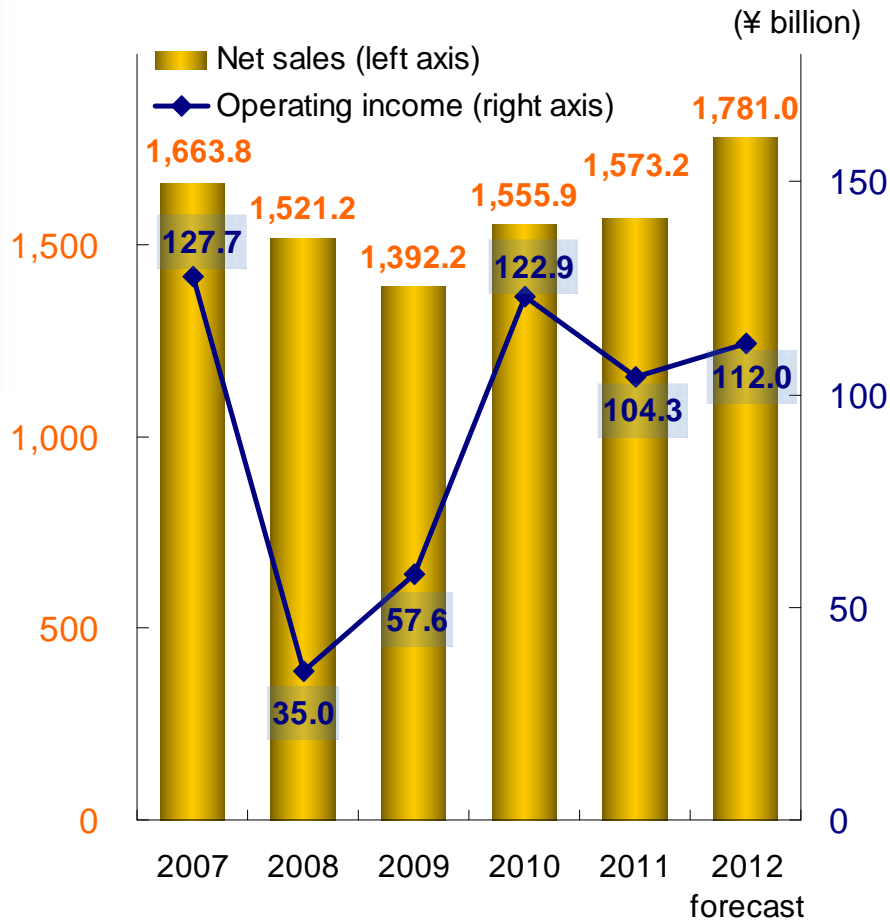
Share of sales by business sector

History of business portfolio transformation, change in sales composition

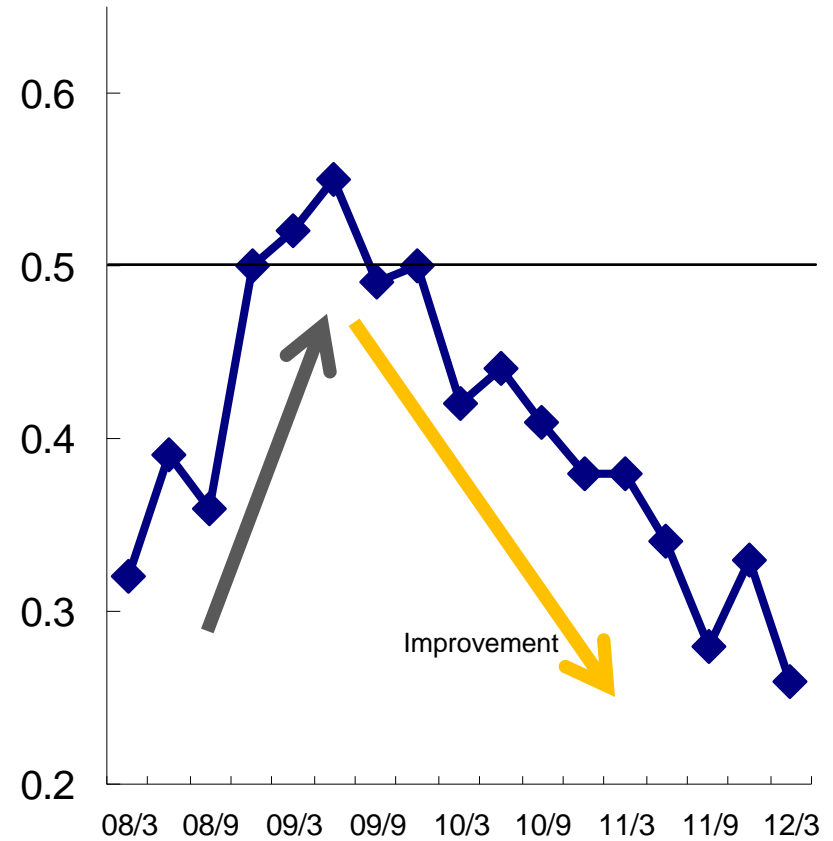


Net sales, operating income, and D/E ratio

Net sales and operating income



D/E ratio



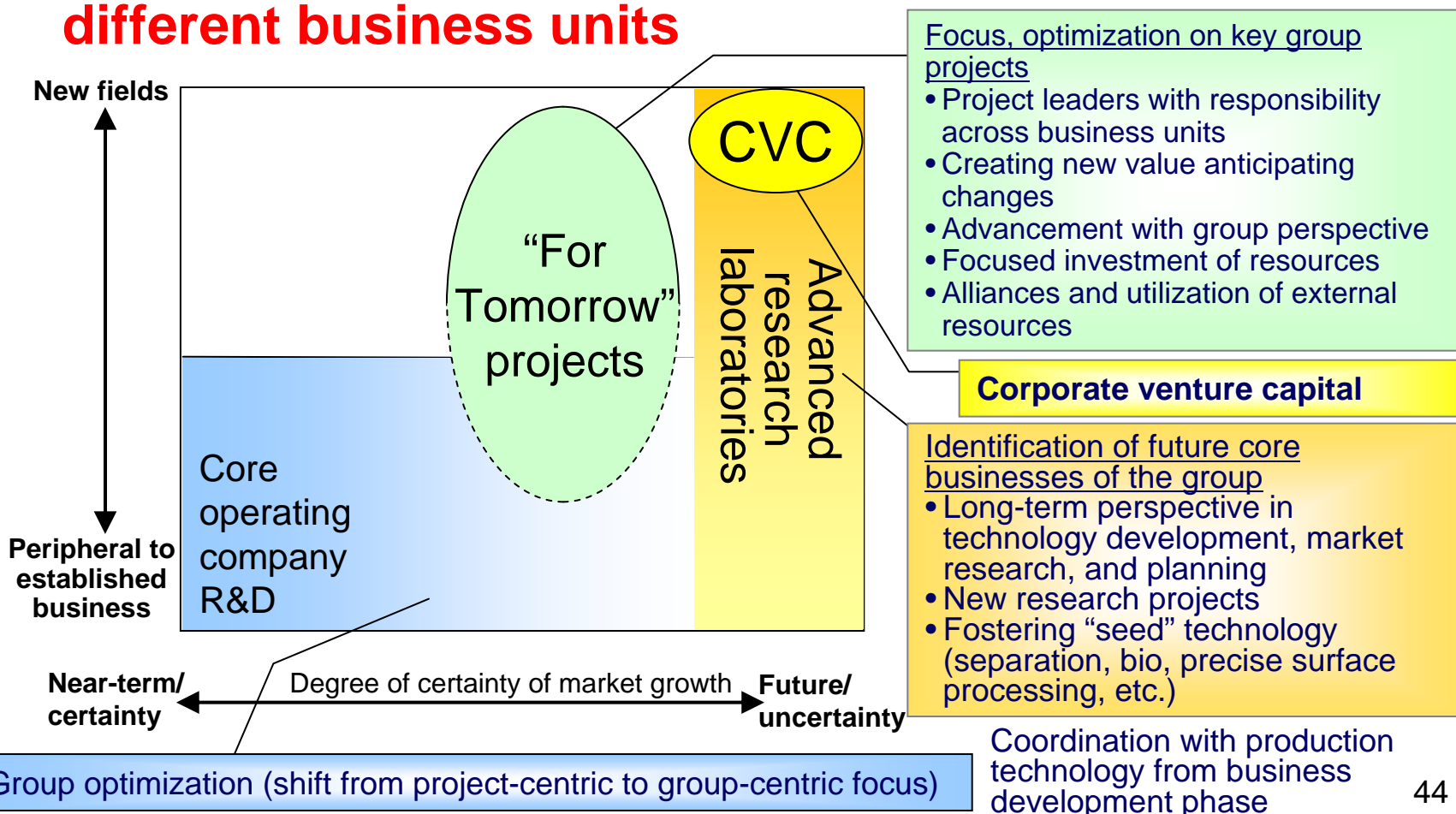
* Naphtha resale amount is deducted from net sales, adopted retroactively from FY 2007.

New business development strategy in mid-term management initiative

Previous Core operating companies: Market-focused R&D related to each business
 Holding company: R&D other than the above



Configuration for key projects extending across different business units



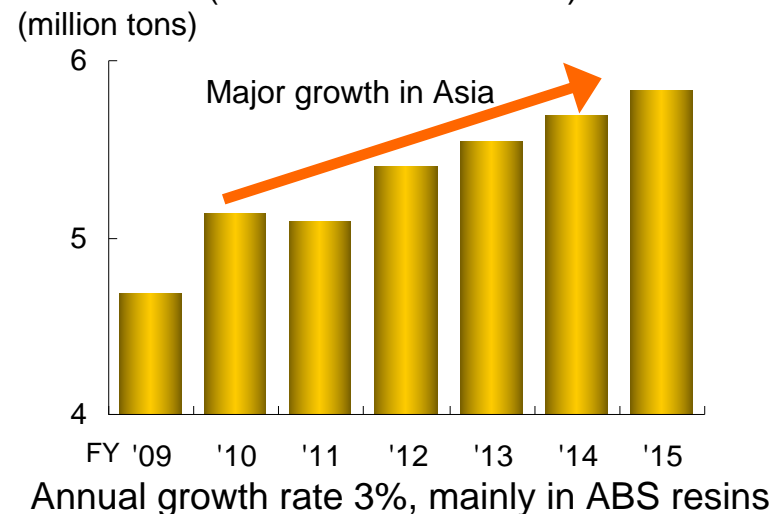
Acrylonitrile

Basic strategy

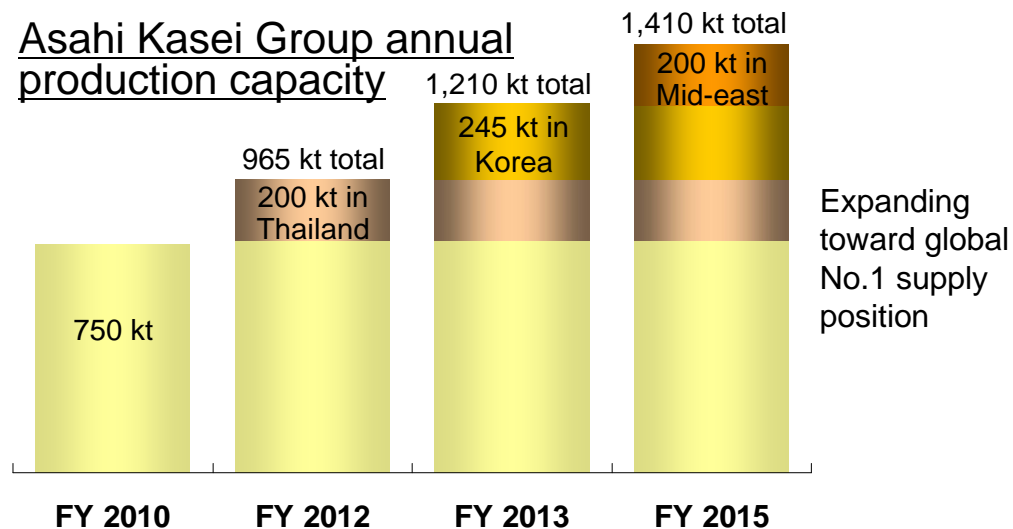
Business expansion in growing Asian market as the No.1 supplier

	Current status	Future outlook
Technological strength	No.1 - World's highest production yield - Production process	Reinforcement of catalyst technology
Cost-competitiveness	Top level - Plant in Thailand, using low-cost propane as feedstock - Tong Suh in Korea (earnings from by-product)	<ul style="list-style-type: none"> Plant start-up in Thailand More plants in locations with superior cost-competitiveness
Supply capacity	No.1 in Asia Mostly in the Far East	<ul style="list-style-type: none"> Strengthened position in the Far East Supply expansion ASEAN, India, and the Middle East.
Customer service	No.1 in the Far East	

Global demand forecast (Asahi Kasei estimate)



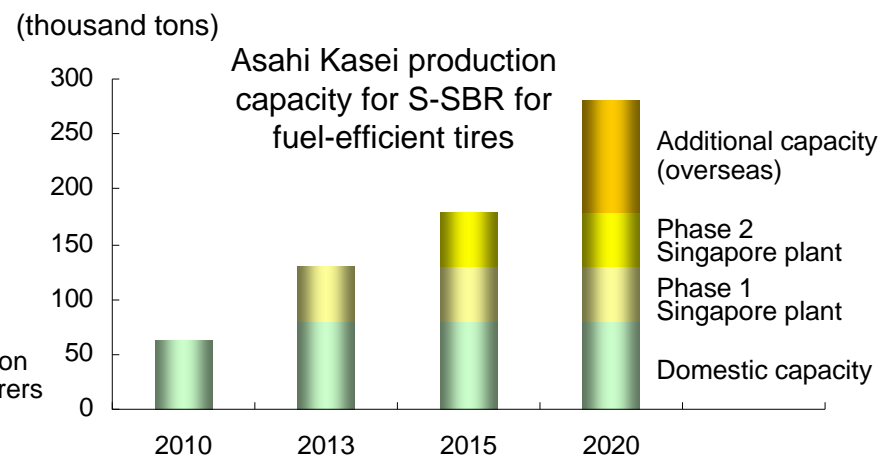
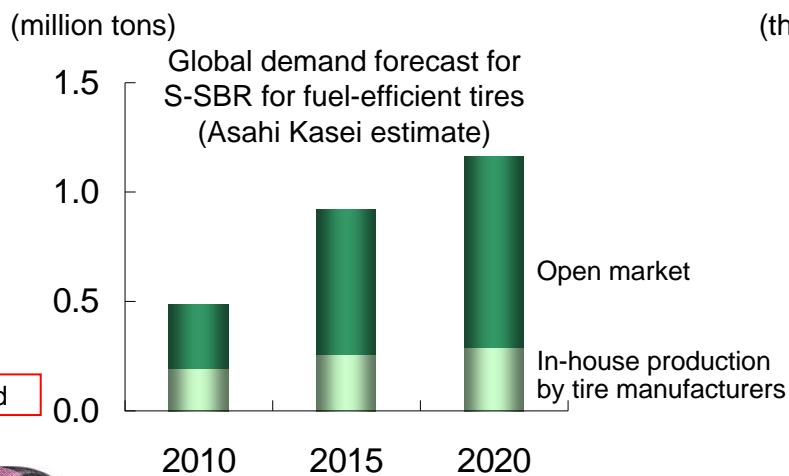
Asahi Kasei Group annual production capacity



Market share in Asia 25% → 40%

Synthetic rubber: solution-polymerized SBR (S-SBR)

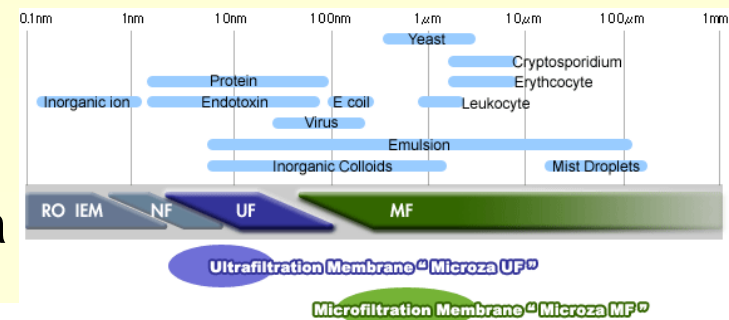
- ✓ Top share in Asian market for S-SBR* for fuel-efficient tires.
- ✓ Continuous-polymerization process to provide S-SBR with well-balanced fuel efficiency and grip performance.
- ✓ Growing demand for fuel-efficient tires with more stringent environmental standards, especially in developed countries.
- ✓ Capacity expansion mainly overseas, in line with demand growth. New plant in Singapore—50 kt/y in 2013 and 50 kt/y expansion in 2015.



* SBR is mainly used for tire tread. S-SBR is the optimum material to enable high fuel efficiency to be achieved while maintaining high grip performance.

Microza™ hollow-fiber membrane for filtration

- ✓ Top-tier world share: 22%
- ✓ Rapid demand growth in municipal water, sewage treatment, wastewater recovery
 - More stringent regulation in US
 - Increasing water pollution/shortages in China
- ✓ Accelerated development of wastewater recycling business
 - Operation start-up at first and second projects in China
- ✓ 2 production sites, Japan and China
 - 30,000 module/y plant in Fuji, Japan
 - 30,000 module/y assembly plant in China



Business portfolio of Chemicals

Volume products				Specialty products	
Chemicals & derivative products		Polymer products			
Basic chemicals	Caustic soda	General-purpose polymers	PE	Membranes	Microza™ MF/UF membranes Ion-exchange membranes & systems
	Chlorine		ABS, SAN		
	Ammonia		PMMA pellet & sheet	Performance chemicals	Duranate™ HDI-based polyisocyanate Aluminum paste SB latex
	Nitric acid		Synthetic rubber & elastomer		
Monomers	Acrylonitrile	Performance polymers	Tenac™ POM	Functional additives	Ceolus™ microcrystalline cellulose
	Styrene		Xyron™ mPPE		
	MMA		Leona™ nylon 66	Explosives	Explosives Metal cladding
	Cyclohexanol				
	Adipic acid				
			Home-use/ Consumables	Saran Wrap™ cling film Packaging products	
Share of sales*	75%			Share of sales*	25%

* Based on results for FY 2011.

Main products of chemicals & derivative products in Chemicals

As of March 31, 2012

	Asahi Kasei Chemicals		Main competitors			Main applications	Asahi Kasei's position/strengths
	Capacity (kt/y)	Share ¹ (%)	Company	Capacity ² (kt/y)	Share ¹ (%)		
Acrylonitrile	965	15	Ineos	1,344	21	Acrylic fiber, ABS resin; captive use for ABS, adiponitrile	<ul style="list-style-type: none"> • 2nd largest producer in the world • Our share will be 19% after 245 kt/y capacity expansion in Korea in Jan. 2013
Styrene	710	2	Sinopec Group Styrolution Shell	4,021 3,652 2,720	13 11 8	EPS, ABS, SB latex, unsaturated polyester, SBR; captive use for PS, ABS, SB latex, SBR	Largest production capacity in Japan
Methyl methacrylate	100	3	Mitsubishi Rayon	1,356	36	MS, MBS, coating materials; captive use for PMMA	Proprietary, cost-competitive C4 process
Adipic acid	170	5	Invista Rhodia	640 455	22 16	Polyurethane; captive use for nylon 66	Top-tier producer in Asia

¹ Share of production capacity, Asahi Kasei estimate.

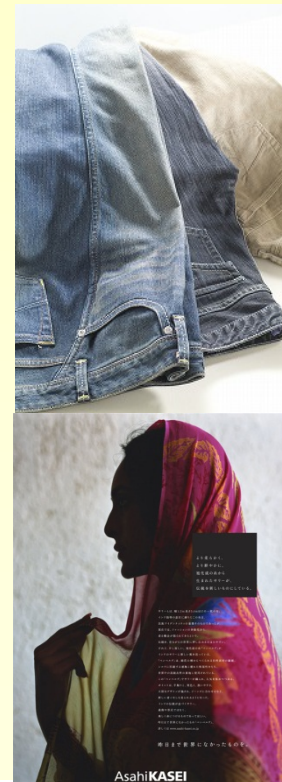
² Asahi Kasei estimate.

Specialty products in Chemicals

Business field	Product	Position
Membranes	Microza™ UF and MF membranes and systems	Top-tier world share: 22%
	Aciplex™ ion-exchange membranes	No. 1 world share: 45%
	Electrolysis plants	No. 1 world share: 30%
Performance chemicals	Duranate™ HDI-based polyisocyanate	No. 1 domestic share
	Aluminum paste	No. 2 domestic share
	Polydurex™ silicone-modified acrylic latex, PVDC latex	PVDC latex, No. 2 world share: 20%
Functional additives	Ceolus™ microcrystalline cellulose	No. 3 world share

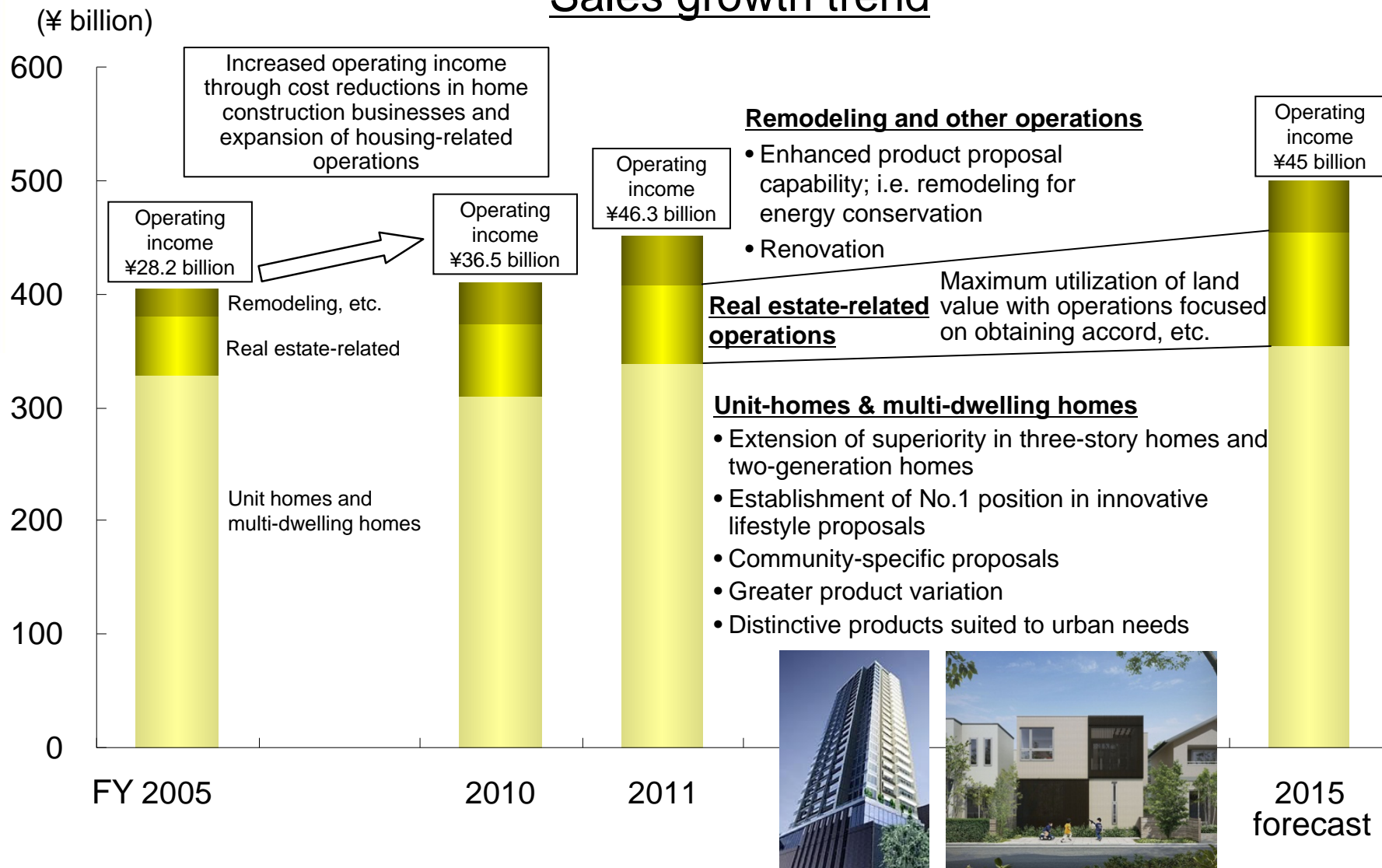
Main products in Fibers

- ✓ Roica™ high-function spandex
 - World's No. 3 share; global development of high-function and high-quality brand; production plants in Japan, Taiwan, China, Thailand, Germany, and US
- ✓ Bemberg™ regenerated cellulose fiber
 - Only producer in the world
 - Shift from domestic lining market to global markets and non-lining applications
- ✓ Full product lineup of nonwovens
 - Lineup of nonwovens made from four materials—nylon, polyester, polypropylene, and Bemberg™ cuprammonium rayon
 - Sales expansion for hygienic products with construction of new plant in Thailand (start-up in September 2012)
- ✓ Leona™ nylon 66 filament with superior strength and thermal resistance
 - Sales expansion in automotive airbag application in addition to tire cord application



Financial performance and actions in Homes

Sales growth trend



“Long Life Home” strategy for Hebel Haus™ AsahiKASEI

- ✓ Hebel Haus™ high-end urban homes
- ✓ Exceptional resistance to earthquake and fire
- ✓ Substantial after-sale service (60-year inspection system)
- ✓ Development of unique concept homes
 - A pioneer of three-story and two-generation homes
 - Market launch of Hebel Maison™ apartment building which supports child-raising
 - Market launch of Hebel Haus™ with features for emergency preparedness and energy self-sufficiency
- ✓ Strategic marketing
 - Development of urban markets from Kanto westward
 - Focus on rebuilding demand
 - More than 7 million houses in 3 largest areas are non-compliant with current earthquake resistance standards
 - Promotion with Hebel Haus™ “street-corner showrooms”
- ✓ Services for the ≈300,000 units sold to date
 - Steady increase in orders at remodeling business
 - Increased units under rent guarantee at real-estate business



Sales and order trends in Homes

(¥ billion, % change from same period of previous year shown at right)

		Value of new orders during the term	Sales of order-built homes	Sales of pre-built homes ¹	Other sales ²	Consolidated subsidiaries	Consolidated	Order backlog
FY 07	H1	153.6 (-1.5%)	131.2 (-2.6%)	5.0 (-16.5%)	0.4	30.3 (+8.2%)	166.9 (-1.3%)	312.3
	H2	152.5 (+3.5%)	165.9 (-9.3%)	19.5 (-15.1%)	0.5	33.3 (+10.3%)	219.3 (-7.3%)	298.8
	annual	306.1 (+0.9%)	297.1 (-6.5%)	24.5 (-15.4%)	1.0	63.7 (+9.5%)	386.2 (-4.8%)	
FY 08	H1	157.1 (+2.3%)	129.4 (-1.4%)	6.0 (+19.7%)	0.7	34.3 (+13.2%)	170.3 (+2.0%)	326.6
	H2	133.9 (-12.1%)	177.9 (+7.2%)	24.0 (+22.8%)	0.9	36.9 (+10.8%)	239.6 (+9.3%)	282.6
	annual	291.1 (-4.9%)	307.3 (+3.4%)	29.9 (+22.2%)	1.5	71.2 (+11.8%)	409.9 (+6.1%)	
FY 09	H1	154.6 (-1.6%)	115.8 (-10.5%)	5.2 (-12.6%)	0.8	35.8 (+4.4%)	157.7 (-7.4%)	321.3
	H2	152.3 (+13.7%)	166.5 (-6.4%)	26.9 (+12.4%)	1.1	37.5 (+1.7%)	232.0 (-3.2%)	307.1
	annual	306.9 (+5.4%)	282.3 (-8.1%)	32.1 (+7.4%)	1.9	73.4 (+3.0%)	389.7 (-4.9%)	
FY 10	H1	181.7 (+17.6%)	125.5 (+8.3%)	9.4 (+79.8%)	1.1	37.5 (+4.8%)	173.5 (+10.0%)	363.4
	H2	172.8 (+13.4%)	176.6 (+6.1%)	18.4 (-31.7%)	1.5	39.2 (+4.5%)	235.7 (+1.6%)	359.5
	annual	354.5 (+15.5%)	302.1 (+7.0%)	27.8 (-13.6%)	2.5	76.8 (+4.6%)	409.2 (+5.0%)	
FY 11	H1	189.4 (+4.2%)	145.9 (+16.3%)	11.9 (+26.5%)	1.5	40.6 (+8.3%)	200.0 (+15.2%)	403.0
	H2	182.5 (+5.6%)	193.7 (+9.7%)	11.8 (-35.7%)	46.5	(+14.2%)	252.0 (+6.9%)	391.8
	annual	371.9 (+4.9%)	339.6 (+12.4%)	23.7 (-14.7%)	88.7	(+11.8%)	452.0 (+10.4%)	
FY 12 forecast		392.0 (+5.4%)	355.0 (+4.5%)	27.0 (+14.1%)	100.0	(+12.7%)	482.0 (+6.6%)	428.8

¹ From H2 2011, sales of pre-built homes of both Asahi Kasei Homes Corp. and Asahi Kasei Fudousan Residence Corp. (housing development business transferred from the former to the latter on Oct. 1, 2011).

² Including commissions on property insurance.

Main products in Construction Materials Asahi**KASEI**

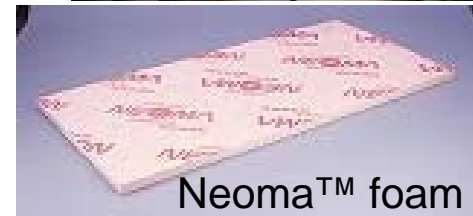
✓ Hebel™ autoclaved aerated concrete (AAC)

- No. 1 share in Japan
- Lightweight and highly durable with outstanding flame-resistance and thermal insulation



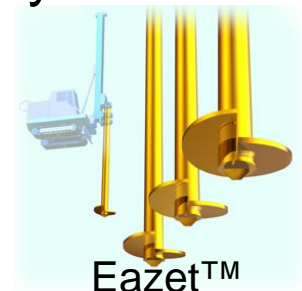
✓ Neoma™ and Jupii™ insulation panels

- World-leading insulation performance that is maintained over the long term
- Eco-friendly material with no CFCs used during production
- High flame resistance; carbonizes without spreading flame
- Capacity expansion; start of operation in April 2014



✓ Eazet™, ATT Column™, and DynaWing™ foundation systems

- Eco-efficient piling systems installed with minimal noise, vibration, and soil for disposal
- Widely adopted in construction and civil engineering works, with high reliability and adoptability to construction sites



Pharmaceuticals (1)



World's first recombinant thrombomodulin formulation

Used to treat disseminated intravascular coagulation (DIC) accompanying cancer, infection, etc.

Potential patients: over 70 thousand people in Japan

Osteoporosis drug for weekly administration to inhibit vertebral fracture with increased bone density

Potential patients: over 10 million people estimated to have osteoporosis in Japan, including those not receiving treatment

Sales of ¥60 billion

2011

Completion of all-case survey

Teribone™ market launch in 2011

Recomodulin™ Nationwide expansion in 2011

FY 2011

Over ¥30 billion in sales of 2 new drugs in FY 2015

Sales of some ¥100 billion

2015

Famvir™: approval for herpes simplex

Recomodulin™ Approval/market launch in Europe, US, and Asia

Teribone™: addition of new dosage form

Recomodulin™: expansion of indication

Recomodulin™ & *AK106*: development in Europe and US

Flivas™ & *Recomodulin™*: reinforcement of sales infrastructure in China and Korea

2015

Sales of over ¥150 billion

2020

Global supply of new drugs

Approval and market launch of zoledronic acid for osteoporosis, and *AK106* for rheumatoid arthritis

2020

Pharmaceuticals (2)

Main products

	Generic name	Mechanism/substance class	Indication	Formulation	Sales (¥ billion)		
					FY09	FY10	FY11
Flivas™	Naftopidil	Selective α -1 blocker	Benign prostatic hypertrophy	Tablet	13.7	13.9	14.2
Elcitonin™	Elcatonin	Eel calcitonin derivative	Osteoporosis pain	Injection	14.0	13.4	12.4
Recomodulin™	Recombinant thrombomodulin alpha	Blood coagulation	Disseminated intravascular coagulation	Injection	1.2	4.2	7.3
Bredinin™	Mizoribine	Immunosuppressant	Rheumatoid arthritis, kidney transplantation, nephrosis syndrome, lupus nephritis	Tablet	6.5	6.5	6.4
Toledomin™	Milnacipran hydrochloride	SNRI	Depression	Tablet	5.0	3.5	2.8
Teribone™	Teriparatide acetate	Sythetic human parathyroid hormone (PTH)	Osteoporosis	Injection	—	—	2.2
EriI™	Fasudil	Rho-kinase inhibitor	Cerebral vasospasm after subarachnoid hemorrhage surgery	Injection	1.4	1.5	1.3
Famvir™ Distributed by Maruho	Famciclovir	Antiviral	Shingles (zoster)	Tablet	—	—	—

Pharmaceuticals (3)

Product pipeline

Development stage	Code name, form, generic name	Remarks	Classifications	Indication	Origin
Pending approval	AK-120, oral, famciclovir	Additional indication	Antiviral	Herpes simplex	Licensed
Phase III	AK-156, injection, zoledronic acid	New efficacy, new dose; once-yearly administration	Bisphosphonate	Osteoporosis	Licensed
	AK-160, injection	New biologic	Collagenase clostridium histolyticum	Dupuytren's contracture	Licensed
Phase II	AT-877, oral, fasudil hydrochloride hydrate	Additional indication, new dosage form	Rho-kinase inhibitor	Pulmonary arterial hypertension	In-house
Phase II (overseas)	ART-123, injection, recombinant thrombomodulin alpha	New biologic	Recombinant human thrombomodulin	Sepsis with disseminated intravascular coagulation	In-house
	AK106	New chemical entity	Anti-inflammatory	Rheumatoid arthritis	In-house

Medical devices (1) Artificial kidneys

- ✓ In world's second-tier group: nearly 20% share; Japan's No. 1 share: 40%
- ✓ Polysulfone hollow-fiber membrane artificial kidneys
 - Integration of spinning and assembly lines in a new 5.5 million module/y plant for dry-pack polysulfone-membrane dialyzers in Nov. 08
 - Hollow-fiber spinning capacity increase by 6 million module/y to 34 million module/y in Dec. 09
 - 7.5 million module/y assembly plant in China
- ✓ Integration of Asahi Kasei Kuraray Medical and Asahi Kasei Medical in Apr. 12
- ✓ Strengthening of strategic alliance with NxStage Medical, Inc. in May 12
- ✓ Acquisition of all shares of Med-tech Inc., making it a wholly-owned subsidiary of Asahi Kasei Kuraray Medical. In Oct. 10



Medical devices (2) Artificial kidneys

Aiming for global top position in dialysis systems

Actions performed

Alliance with NxStage Medical, Inc.

Alliance with Kawasumi Laboratories, Inc.

45
40 Establishment of sales subsidiaries in China, Korea, Taiwan, and Turkey

35 Expansion of assembly plant in China

30 Development of dry-pack products

Measures toward 2015

Expansion of overseas assembly capacity

Licensing-in assembly technology from NxStage Medical

Establishment of overseas sales subsidiaries

Development of package products

Key actions

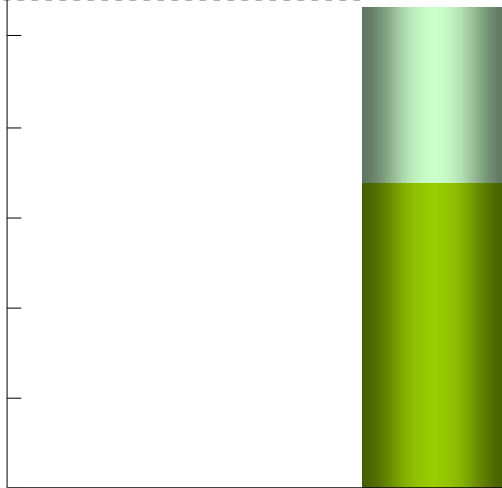
- Reinforcement of quality and performance
- Improvement of cost competitiveness and tolerance to exchange rate
- Reinforcement of sales functions

Overseas sales volume
Intensive expansion in growth markets, mainly in emerging countries

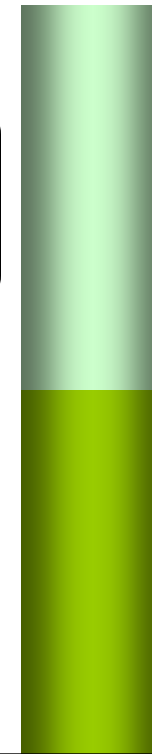
Domestic sales volume
Stable growth of sales volume

(Unit: million modules)

45
40
35
30
25
20
15
10
5
0



FY 2010

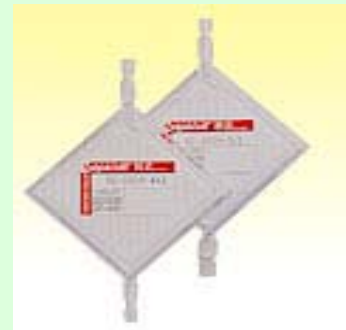


FY 2015

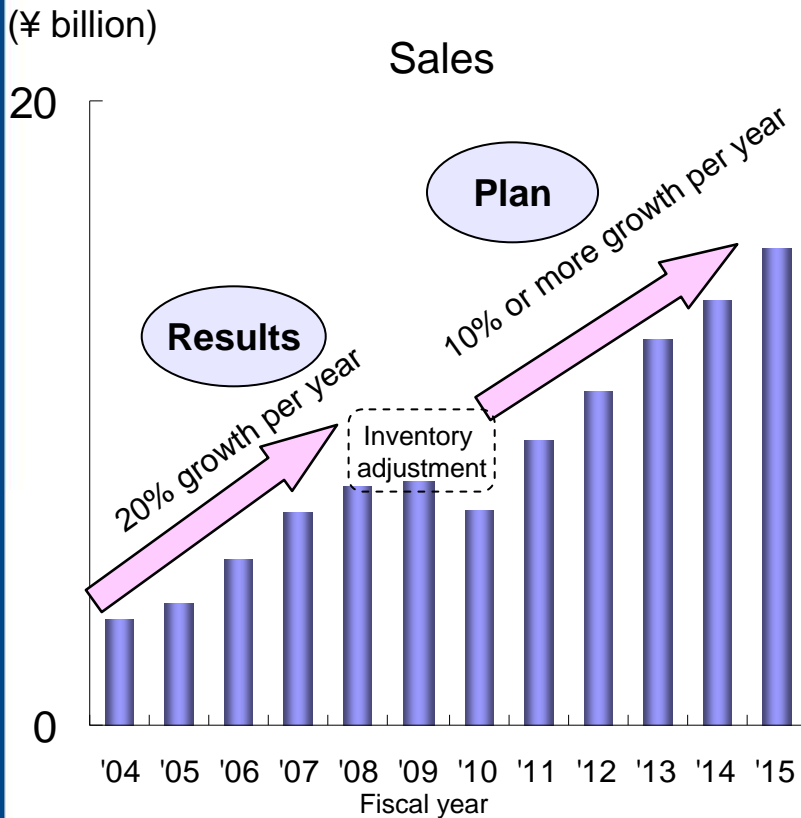


Medical devices (3) Therapeutic apheresis devices, leukocyte reduction filters, and virus removal filters **AsahiKASEI**

- ✓ Advancing development in therapeutic apheresis
 - Expansion of difficult-to-treat indications to include ulcerative colitis, rheumatoid arthritis, and Hepatitis C
 - Advancing overseas development
- ✓ Expansion of Sepacell™ leukocyte reduction filter business
 - 4 million modules/y capacity increase to 20 million modules/y in Apr. 09
- ✓ Expansion of Planova™ virus removal filter business
 - Growing demand in production of plasma derivatives and biopharmaceuticals
 - Expansion of hollow-fiber spinning plant by 40 thousand m²/y to 70 thousand m²/y in Mar. 09
 - Expansion of assembly plant by 40 thousand m²/y to 80 thousand m²/y in Mar. 10
 - Launch of Planova™ BioEX virus filters for biopharmaceutical processing in Jun. 10
 - Acquisition of TechniKrom, Inc., a leading supplier of bioprocess equipment



Medical devices (4) Planova™ virus removal filters



Market of biopharmaceuticals and plasma derivatives

- Growing by more than 10% per year over medium term
- Expanding global demand for bioprocess products in biopharmaceuticals and plasma derivative applications
- Tightening regulations for virus removal, proliferation of biosimilar products
- Growth in emerging markets (China, India, South America)

✓ Renewed growth from 2011 after completion of inventory adjustment; record-high monthly sales in April 2011 with adoption in process for drugs entering large-scale manufacture

✓ Reinforced development of Chinese and Asian markets in addition to main markets of Europe and US

- China: expansion in plasma derivatives field
- Korea and India: expansion in biosimilars field



Newly launched BioEX

Electronic materials (1) Hipore™ lithium-ion battery separator

Basic strategy

- Proactive expansion in line with market growth
 - Maintaining market share of 50% or more in mobile applications
 - Full-fledged marketing in automotive applications, expanding sales with rapid demand growth
- (Capacity expansion from 205 million m²/y at the end of Sep. 2011 to 255 million m²/y in spring 2013.)
- Provision of membranes suited to various needs

Technological development

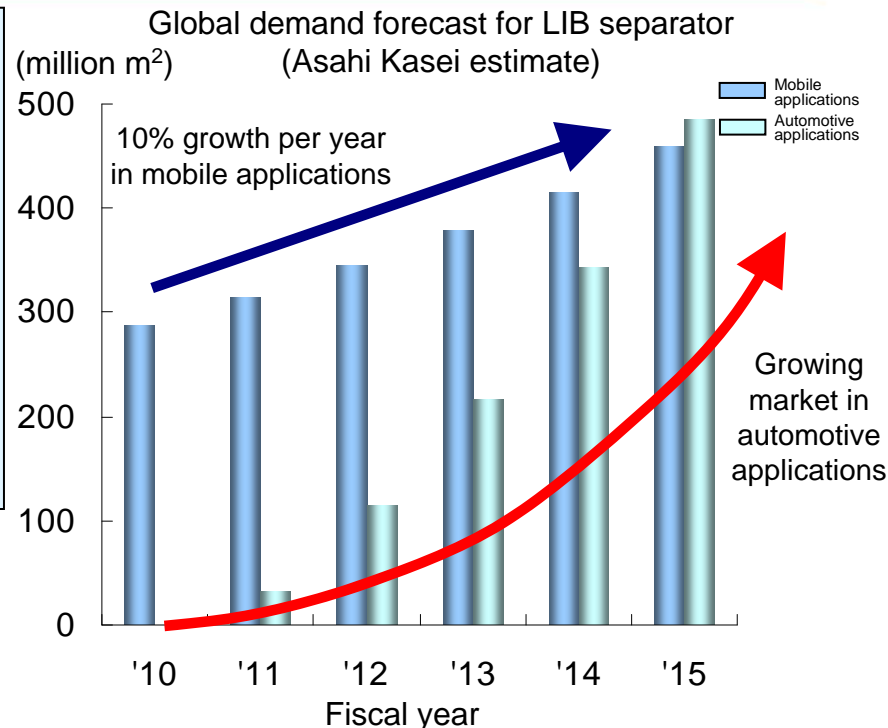
- Timely development of high-function membranes suited to customer needs
- Achieving lower cost through high productivity

Production

Hyuga: capacity expansion as high-volume production site
 Moriyama: production of high-function membranes, mother plant for production technology innovation
 Other: establishment of overseas production capability

Marketing

1. Mobile applications
 - Complete customization mainly for Japanese and Korean customers
 - Reinforcement of local sales functions
2. Automotive applications
 - Development of membranes suited to needs of automotive applications
 - Establishment of supply to major producers of LIBs for automotive applications



Market share in 2010

Mobile applications

Maintaining market lead with share of 50% or more

Automotive applications

Gaining top position in rapid-growing automotive applications, utilizing technical strength* and customer service capability established in mobile applications



* Phase separation, membrane forming, polymer composition, etc.

Electronic materials (2)

- ✓ Sunfort™ dry film photoresist (DF) for printed wiring boards
 - World top-3 share: 30%
 - The world's largest DF plant in Suzhou, China – capacity of 280 million m²/y, and establishment of tech center
 - World's largest supplier with capacity of 370 million m²/y, combined with Fuji plant of 90 million m²/y capacity
 - Decision to construct a new plant of 120 million m²/y plant in Changshu, China (start-up in Sept. 13)
- ✓ Expansion of ultra-thin glass fabric
- ✓ Pimel™ semiconductor buffer coats
 - World's No. 1 share in photosensitive type
 - Expansion of alkaline type
- ✓ Photomask pellicles for LSIs and LCDs
 - Full lineup of pellicles compatible with all exposure sources from g-line to ArF
 - World top-3 share, and world's No.1 supplier for large LCDs
 - Provision of pellicles for 10G LCD panels



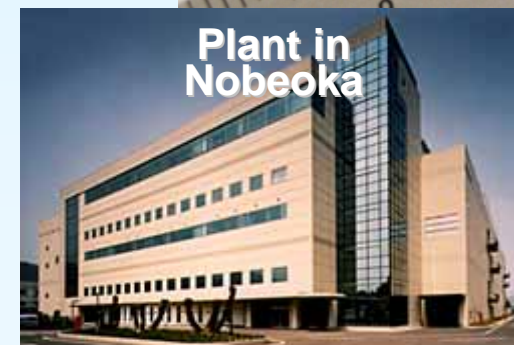
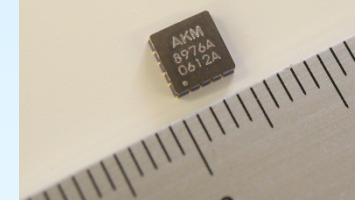
Electronic devices (1)

Analog/digital mixed-signal LSIs

- ✓ Development in cell phone/communications and multimedia fields
 - World's No. 1 share in audio devices in mixed-signal LSIs
 - World's No. 1 share in TCXO ICs
 - World's No. 1 share in electronic compass, with expansion in smartphones and other portable terminals
- ✓ Reinforcement of design functions
 - Advantage in analog design – 2 years to fully develop a digital-circuit design engineer, 10 years for an analog-circuit design engineer (design centers in Atsugi and Miyazaki)
- ✓ Streamlining of manufacturing infrastructure
 - Closure of Tateyama facility and consolidation of production at Nobeoka facility
- ✓ Strengthening of marketing bases in Korea, China, Taiwan, and Europe



Electronic compass



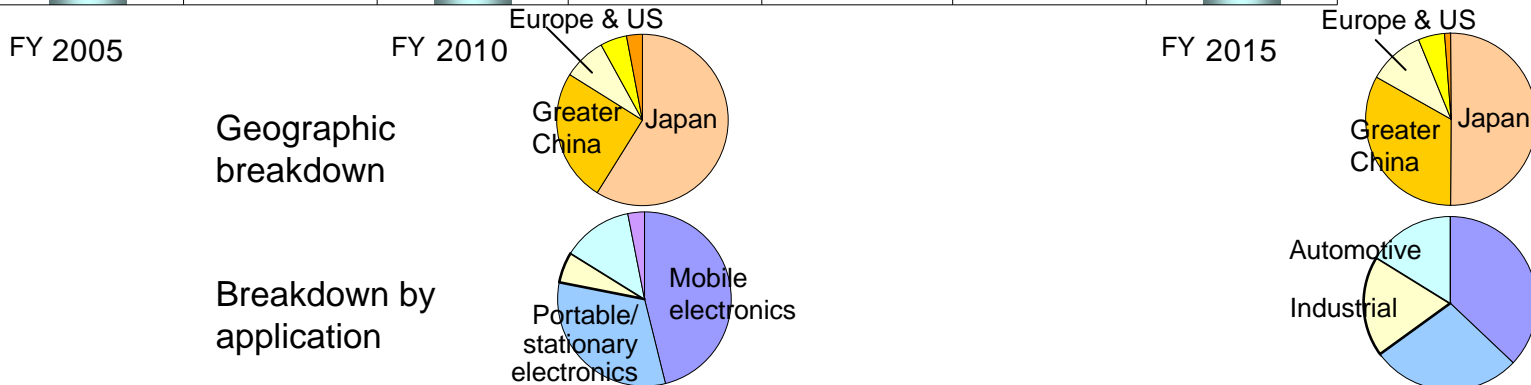
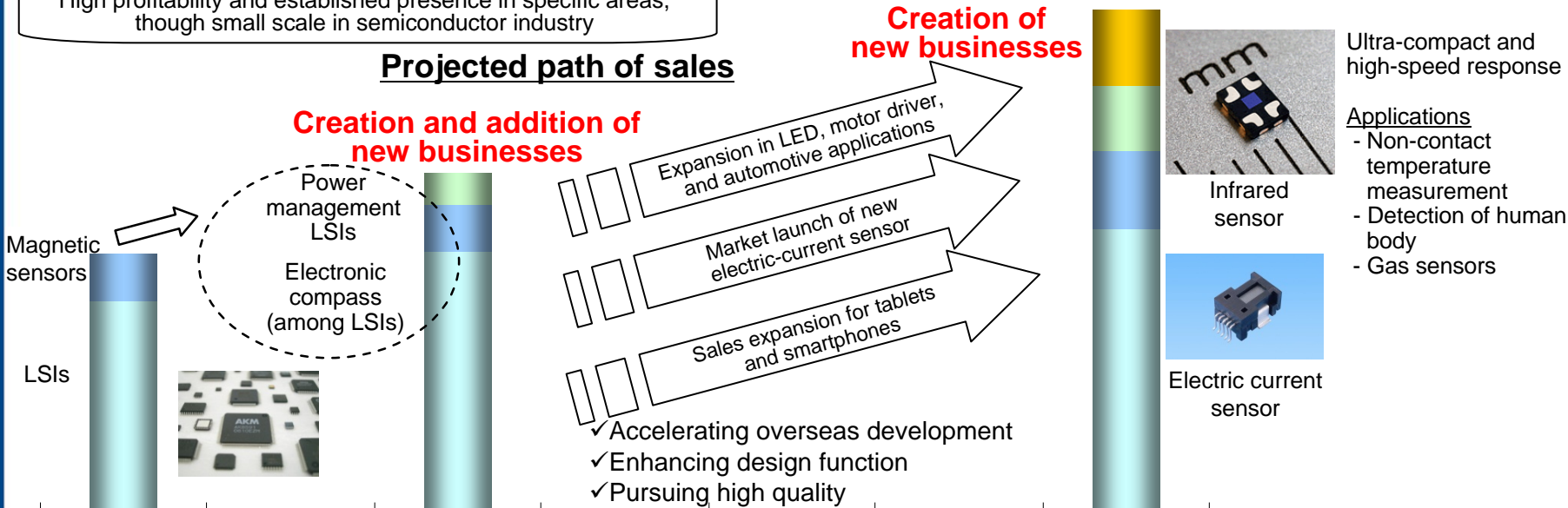
Electronic devices (2)

Strengths of our LSI business	Weaknesses	Opportunities
<ul style="list-style-type: none"> • Analog signal processing • Strong record in magnetic sensors • Compound semiconductor technology 	<ul style="list-style-type: none"> • Mainly limited to mobile electronics • Inadequate development of overseas business 	<p>Large undeveloped market</p>

Infrared sensors, LSIs for sensor control, LSIs for next-generation communication, etc.

High profitability and established presence in specific areas, though small scale in semiconductor industry

Projected path of sales



Electronic products

Business field	Product	Position
Electronic devices	Mixed-signal LSIs	World's No. 1 share in TCXOs*, electronic compasses, and audio devices
	Hall elements (magnetic sensors)	World's No. 1 share: 70%
Electronic materials	Hipore™ Li-ion rechargeable battery separator	World's No. 1 share: 50%
	Dry film photoresist	World top-3 share: 30%
	Glass fabric	World's No. 1 share in ultra-thin glass fabric
	Pimel™ semiconductor buffer coats	World's No. 1 share in photosensitive products
	Photomask pellicles	World top-3 share, and world's No. 1 share for LCD panels
	APR™ photosensitive resin, AFP™ photosensitive plates, printing plate making systems	World's No. 2 share in photosensitive resin

* Temperature compensated crystal oscillators.

ZOLL Corporate Profile

ZOLL[®]

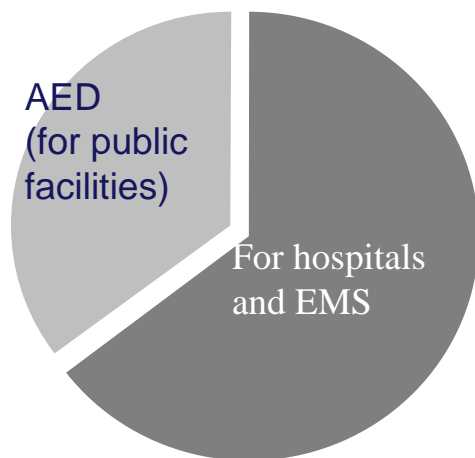
Establishment	1980
Places of business	Head office: Chelmsford, MA, U.S. Operations: Pittsburgh, PA; Sunnyvale, CA; Broomfield, CO; etc.
Type of business	A specialized manufacturer of medical devices for critical care, with resuscitation technology as core technology
Employees	1,908 (as of October 2, 2011)
Relationship with Asahi Kasei	<ul style="list-style-type: none"> • Asahi Kasei and ZOLL entered into a business alliance, and in August 2011 Asahi Kasei began selling ZOLL's latest AED, the ZOLL AED Plus™, in Japan • Subsequently, the management of the two companies deepened their interaction, and determined that this acquisition would accord well with Asahi Kasei's management strategy

Defibrillator business has strong reputation in the US

ZOLL is one of the world's big three defibrillator manufacturers, with potential for further growth worldwide based on its strong brand established in the US

Global defibrillator industry is \$1.5 billion

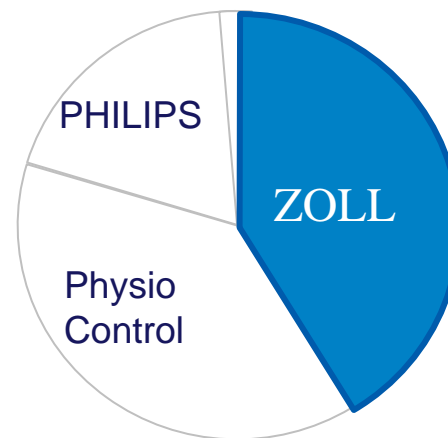
Global defibrillator industry (by value)



ZOLL is the leading supplier in the US segment for professional use

- The US accounts for 2/3 of world defibrillator industry
- ZOLL is the leading supplier in the US, the world's pioneer in healthcare technology

Industry share for defibrillators used by hospitals and EMS in the US



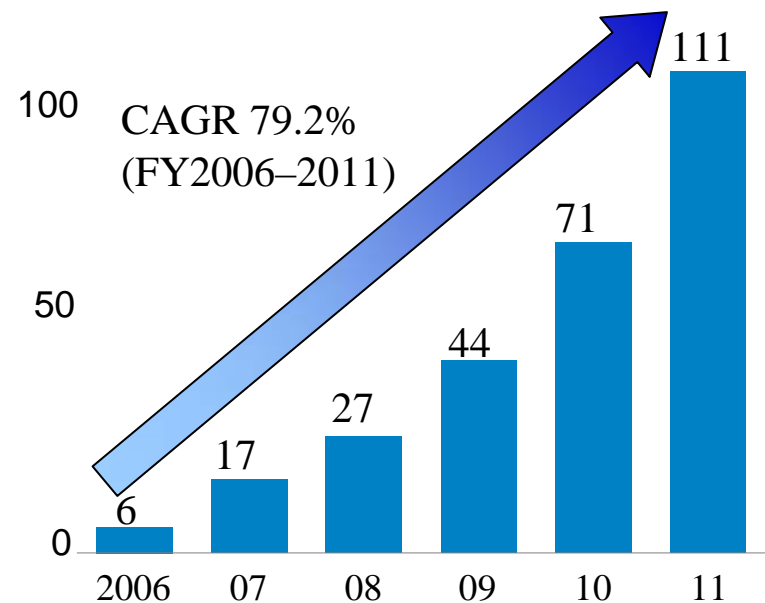
Source: ZOLL estimates of industry size and approximate industry positions

LifeVest™ growth potential (FY11 sales \$111 million) **AsahiKASEI**

- Wearable external defibrillator for patients at risk of cardiac arrest; has been used by over 50,000 patients.
- Features a noninvasive configuration (removable).
- In the US alone, there are over 300,000 cardiac patients per year. Their need for cardiac arrest protection during high-risk periods leaves **ample room for extending the LifeVest™ sales growth trend over the long term.**
- Sales in Germany and other European countries are growing. (Not yet approved in Japan.)
- **Superior service-based business model:** ZOLL rents the device to patients and provides them with healthcare services (including explanations on use). ZOLL receives reimbursement from health insurance providers (average usage duration 2 months).
- **Unique technology – the only product of its kind to receive regulatory approval.**



Sales of LifeVest™ (\$ million)



High growth potential for Thermogard™

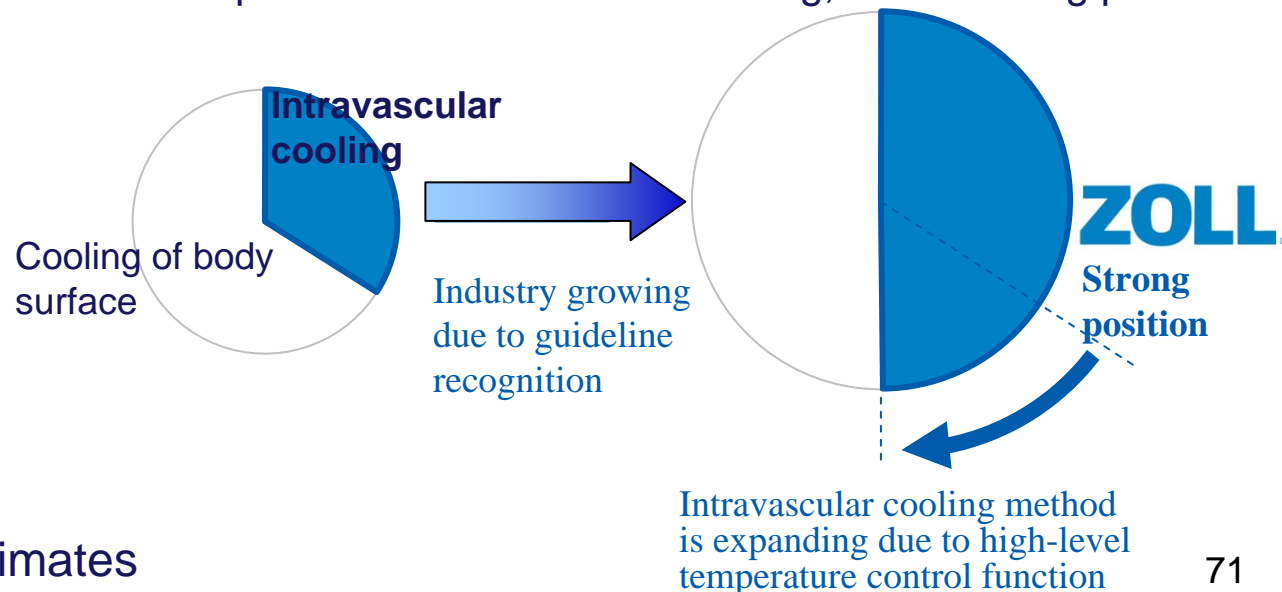
(FY11 sales \$26 million)

Asahi**KASEI**



Strong position in an expanding industry for a superior therapy

- Temperature management system: used to control body heat (during heatstroke, etc.) and to lower body temperature after cardiopulmonary resuscitation
- Potential for use after myocardial infarction or stroke
- Expanding segment: Induced hypothermia recognized by the American Heart Association (AHA) guidelines for care following cardiac arrest
- Superior therapy: Thermogard™ cools the inside of blood vessels using intravascular catheters, enabling fast and precise body temperature adjustment (essential after cardiopulmonary resuscitation)
- ZOLL is a pioneer in intravascular cooling, with a strong position



Source: ZOLL estimates

Recent actions and advances (1)

Environment & Energy (1)

✓ Development and reinforcement of lithium ion capacitor (LIC) business as a next-generation energy storage device

Establishment of a joint venture with FDK Corp. in October 2011.
Acceleration of business expansion by combining technologies.



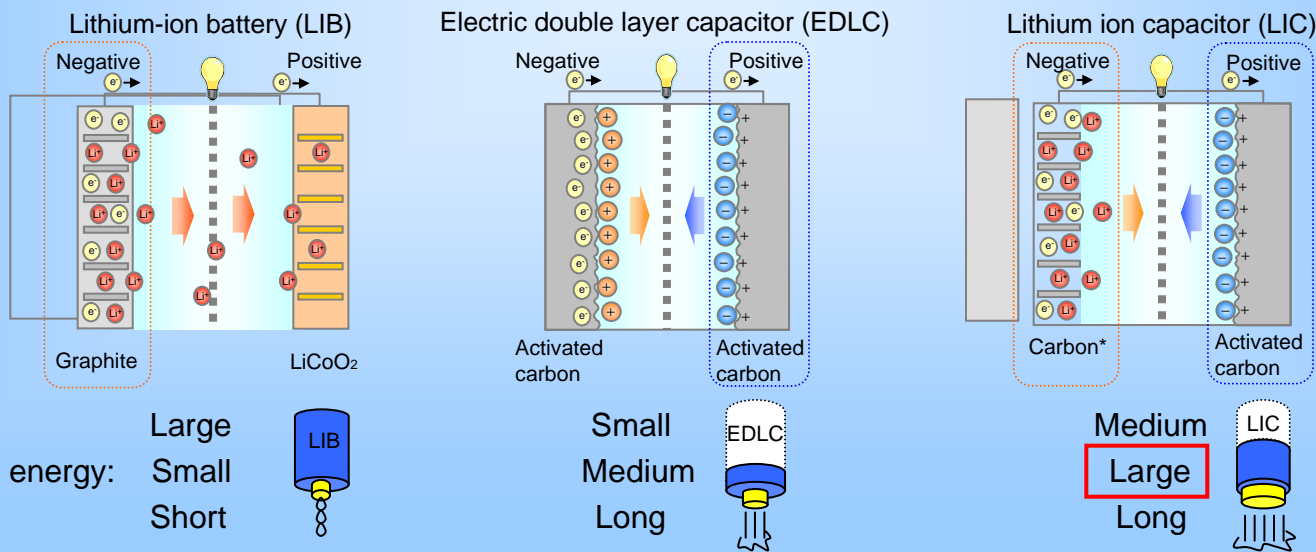
Features:

- Higher cell capacity than conventional electric double layer capacitor.
- Longer life than lithium-ion battery and capability of rapid charging and discharging at high current.

Applications:

- Construction equipment, uninterruptible power supplies, electric vehicles, etc.

Comparison of energy storage devices



* With lithium ions absorbed and stored inside.

Recent actions and advances (2)

Environment & Energy (2)

✓ Acquisition of full ownership of Crystal IS, Inc.



Business in UV-LEDs using aluminum nitride substrates

Characteristics:

- Efficient at the ideal wavelength for disinfection (250 nm), low power consumption, compact size, world-record long service life
- Ample performance to replace mercury-vapor lamps for disinfection
- Potential application in a wide range of disinfection and sterilization fields

Water sterilization

Air purification

Food sterilization

Health Care

✓ Joint R&D with tella, Inc. for cell processing equipment for cancer treatment

tella technology:

- Cancer treatment technology (dendritic cell vaccine therapy)
- Regenerative medicine technology



Applying Asahi Kasei's experience, knowledge, and technology to improve the quality and stability of the cultured cells, and to reduce time and cost for culturing cells.