

## **New mid-term management initiative: “For Tomorrow 2015”**

The Asahi Kasei Group has launched a new mid-term strategic management initiative, “For Tomorrow 2015,” for the five-year period from fiscal 2011 through fiscal 2015.

“For Tomorrow 2015” provides a clear vision for the Asahi Kasei Group, with a focus not only on the proactive expansion of our globally competitive businesses, but also on the expansion of operations in fields related to the environment & energy, residential living, and health care from the perspectives of *living in health and comfort* and *harmony with the natural environment*. In addition, “For Tomorrow” projects have been launched for the creation of new businesses, providing systems and services through combinations of different business units of the Asahi Kasei Group. Strategic long-term investments of some ¥1 trillion are to be made during the five-year period, with consolidated net sales of ¥2 trillion and operating income of ¥200 billion targeted in fiscal 2015.

### **1. Review of the previous mid-term initiative, “Growth Action – 2010”**

In “Growth Action – 2010,” which began in fiscal 2006 and ended in March 2011, the Asahi Kasei Group expanded global businesses such as acrylonitrile (AN), solution-polymerized styrene-butadiene rubber (S-SBR), electronics, and medical devices, while enhancing domestic businesses such as housing, construction materials, and pharmaceuticals. Our operational base was strengthened, and strategic measures were implemented to prepare for the next phase of growth. Although the impact of the global financial crisis of 2008 precluded full attainment of our original targets, we established a stable earnings ability, and, in addition to growth-oriented measures, we took action on a mid- to long-term issue in our commodity petrochemicals business by concluding an alliance for naphtha cracker operations in Mizushima, providing an enhanced configuration to enable swift and flexible response to changes in the operating environment.

### **2. Overview of new mid-term initiative, “For Tomorrow 2015”**

With a clear vision for the Asahi Kasei Group set forth in “For Tomorrow 2015,” emphasis will be on the promotion of “one AK” management and the pursuit of growth to enhance corporate value by anticipating emerging social needs based on upcoming megatrends in the economic environment.

#### 1) Vision of the Asahi Kasei Group

Based on the two perspectives of *living in health and comfort* and *harmony with the natural environment*, the Asahi Kasei Group will offer new value in accordance with its Group Slogan of “Creating for Tomorrow” by anticipating social changes to continuously heighten corporate value.

- Group Mission: We, the Asahi Kasei Group, contribute to life and living for people around the world.
- Group Vision: Providing new value to society by enabling “living in health and comfort” and “harmony with the natural environment.”
- Group Values: Sincerity. Challenge. Creativity.
- Group Slogan: Creating for Tomorrow.

## 2) Pursuit of growth

Further growth will be pursued in accordance with the two strategic pillars of “expansion of world-leading businesses” and “creation of new value for society.”

### i) Expanding world-leading businesses

Proactive expansion of global No. 1 & No. 2 businesses, such as AN, S-SBR, Hipore™ Li-ion battery separator, and artificial kidneys, will be advanced to serve global demand growth in emerging markets.

### ii) Creating new value for society

Businesses in fields related to environment & energy, residential living, and health care will be expanded to meet emerging social needs for *living in health and comfort* and *harmony with the natural environment*. To advance into these fields across different business units, three new projects—“Environment & Energy for Tomorrow,” “Residential Living for Tomorrow,” and “Health Care for Tomorrow”—have been launched to create new system-based, combined-unit businesses that make the most of the Asahi Kasei Group’s diverse competencies.

## 3) Promotion of “one AK” management

Drawing together the strength of the Asahi Kasei Group to execute a dynamic strategy for growth, the group configuration will be reinforced to facilitate new combinations of businesses across different business units for key projects and strategic measures will be implemented utilizing the group’s diversity for the creation of new value.

## 4) Performance targets

Targets set forth in “For Tomorrow 2015” are as shown below. The Asahi Kasei Group aims to achieve consolidated net sales of ¥2 trillion (up 25% compared to FY 2010), operating income of ¥200 billion (up 63%), and ROE of over 10% (9% in FY 2010).

(¥ billion)

Business sector	Net sales		Operating income	
	FY 2010	FY 2015	FY 2010	FY 2015
Chemicals & Fibers	851.0	880	68.6	75
Homes & Construction Materials	456.6	570	38.6	50
Electronics	158.3	250	14.3	40
Health Care	116.4	180	7.0	25
Others	16.0	20	(5.5)	(5)
Subtotal	1,598.4	1,900	122.9	185
“For Tomorrow” projects		100		15
Total	1,598.4	2,000	122.9	200

5) Long-term investment

To press ahead with the expansion of world-leading business and the creation of new value for society as two strategic pillars of “For Tomorrow 2015,” long-term investments of some ¥1 trillion will be made by fiscal 2015, including investments in established businesses, new business, and M&A.

Disclaimer:

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