



**Mitsui Chemicals**

# 2014 Mid-Term Business Plan

– Creating New Customer  
Value through Innovation –

May 21, 2014  
Tsutomu Tannowa  
President & CEO

# CONTENTS

- 1. Results of FY2013 and Outlook for FY2014**
- 2. Summary of the 2011 Mid-Term Business Plan**
- 3. 2014 Mid-Term Business Plan**
  - Creating New Customer Value through Innovation–**

# Results of FY2013

(Billion yen)

△: Denotes a minus

Items	FY2012	FY2013	Increase (Decrease)
Sales	1,406.2	1,566.0	159.8
Operating income (loss)	4.3	24.9	20.6
Non-operating income/expenses	4.9	△2.4	△7.3
Ordinary income (loss)	9.2	22.5	13.3
Special gains/losses	△10.0	△33.0	△23.0
Net income (loss) before income taxes and minority interests	△0.8	△10.5	△9.7
Net income (loss)	△8.1	△25.1	△17.0
Exchange Rate (Yen/US\$)	83	100	17
Domestic Standard Naphtha Price (Yen/KL)	57,500	67,300	9,800
Dividend (Yen/Share)	6.00	3.00	△3.00

# Results of FY2013 (Operating Income)

(Billion yen)

△: Denotes a minus

Segment	FY2012	FY2013	Increase (Decrease)	Remarks
Functional Chemicals	12.4	15.0	2.6	Higher overseas demand for healthcare materials and agrochemicals
Functional Polymeric Materials	8.4	11.9	3.5	Increase in demand for automotive applications primarily in North America
Polyurethane	△2.6	△5.2	△2.6	Deterioration in TDI overseas market conditions; sharp rise in raw material and fuel prices
Basic Chemicals	△18.9	△17.4	1.5	Slump in PH and PTA market conditions in Asia; sharp rise in raw material and fuel prices
Petrochemicals	7.7	25.3	17.6	Increase in overseas PP compound sales; improvement in naphtha cracker operating rates in Japan
Films & Sheets	△3.3	0.9	4.2	Increase in sales of packaging films and industrial films; reduction in costs
Total (Including Others)	4.3	24.9	20.6	

# Outlook for FY2014

(Billion yen)

△: Denotes a minus

Items	FY2013	FY2014 Outlook	Increase (Decrease)
Sales	1,566.0	1,680.0	114.0
Operating income (loss)	24.9	35.0	10.1
Non-operating income (expenses)	△2.4	△4.0	△1.6
Ordinary income (loss)	22.5	31.0	8.5
Special gains/losses	△33.0	△6.0	27.0
Net income (loss) before income taxes and minority interests	△10.5	25.0	35.5
Net income (loss)	△25.1	12.0	37.1

Exchange Rate (Yen/US\$) 100 103

Domestic Standard Naptha Price (Yen/KL) 67,300 70,000

Items	FY2013	FY2014 Outlook
Dividend (Yen /Share)	3.0	3.0

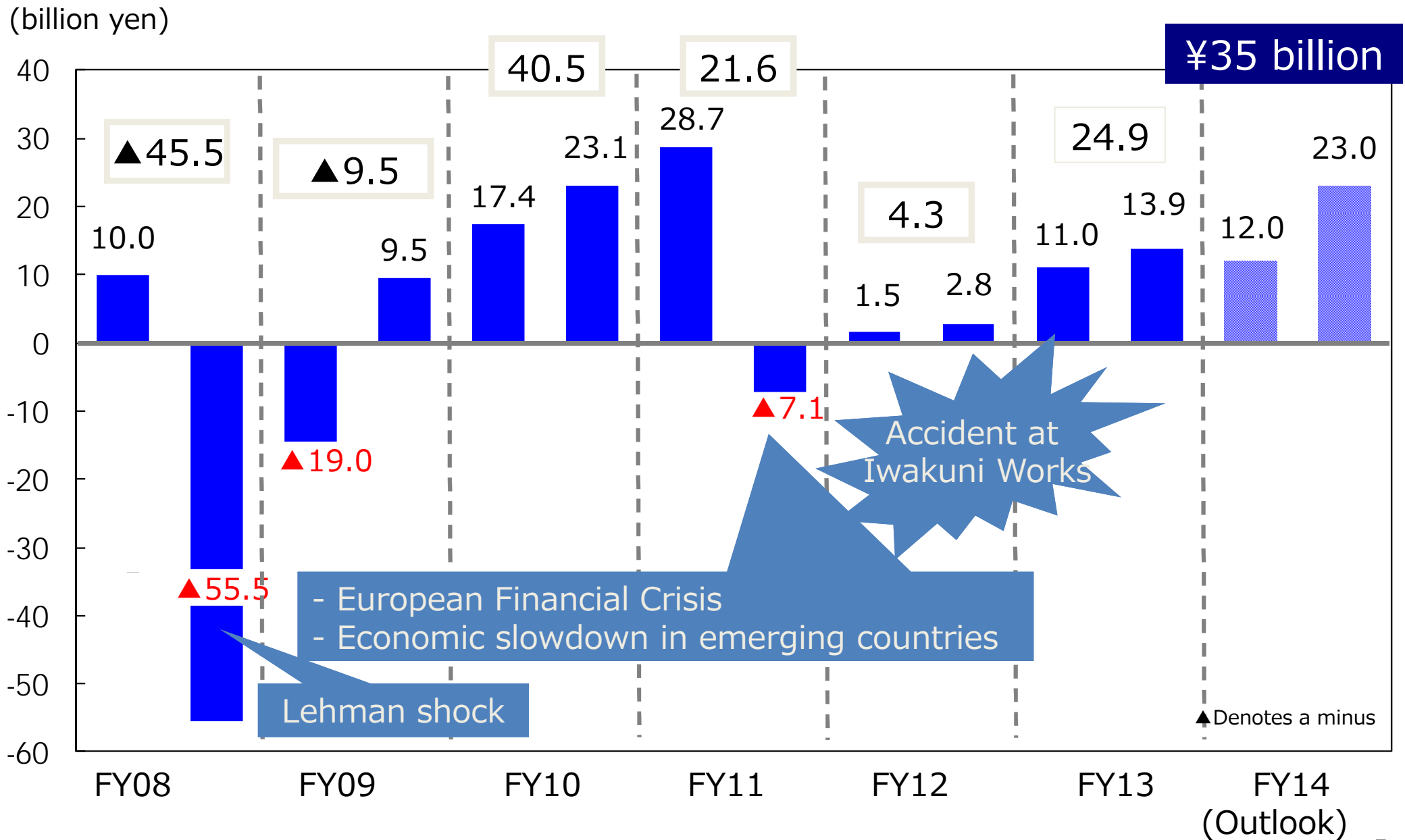
# Outlook for FY2014 (Operating Income)

(Billion yen)

△: Denotes a minus

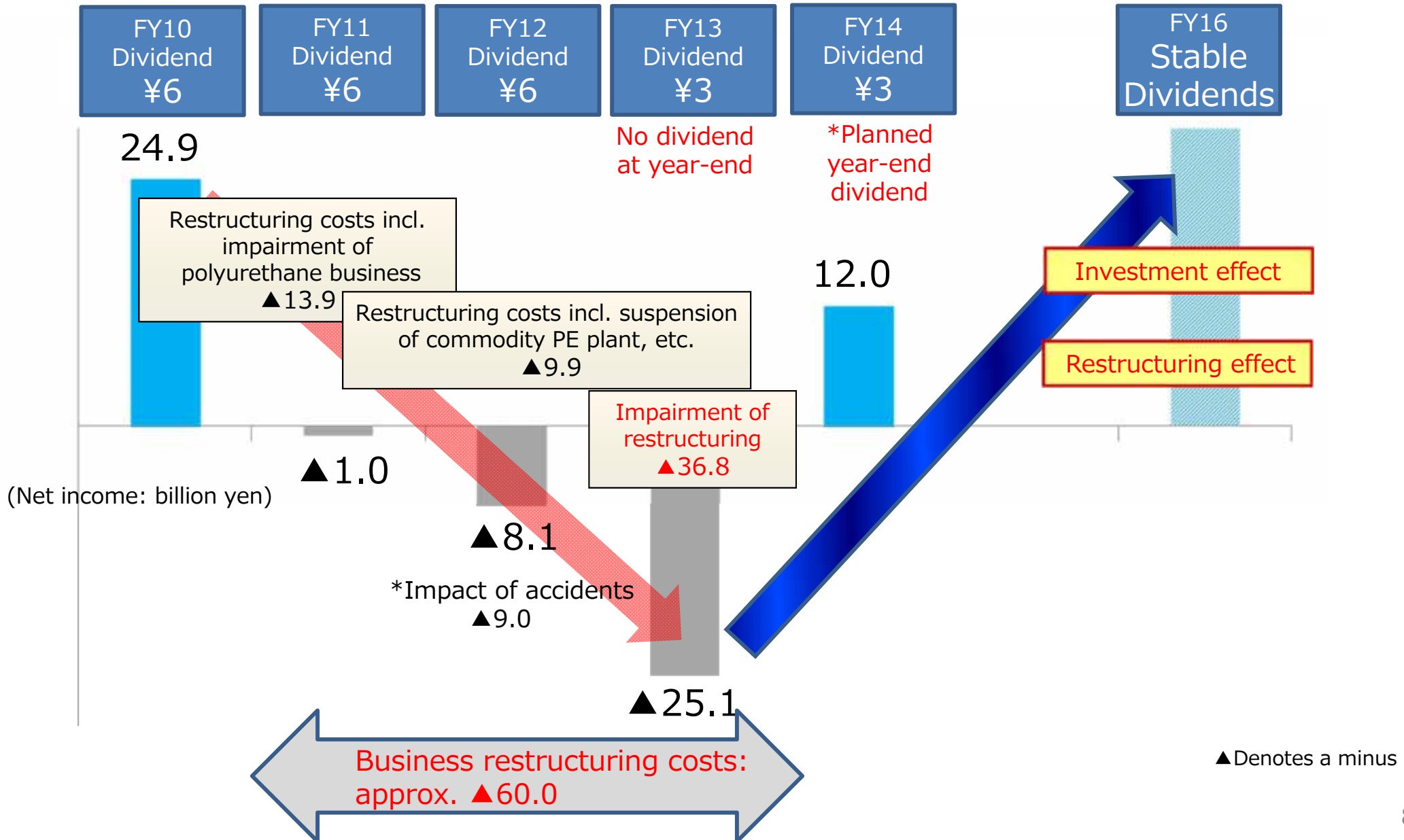
Segment	FY2013 Results	FY2014 Outlook			Increase (Decrease) Full Fiscal Year
		1st Half	2nd Half	Full Fiscal Year	
Functional Chemicals	15.0	7.5	9.0	16.5	1.5
Functional Polymeric Materials	11.9	6.5	8.0	14.5	2.6
Polyurethane	△5.2	△2.0	3.0	1.0	6.2
Basic Chemicals	△17.4	△5.0	△4.0	△9.0	8.4
Petrochemicals	25.3	9.5	10.0	19.5	△5.8
Films & Sheets	0.9	0.0	1.0	1.0	0.1
Total (Including Others)	24.9	12.0	23.0	35.0	10.1

# Transition of Operating Income



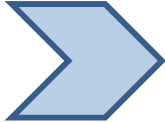
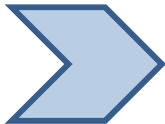
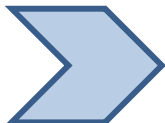
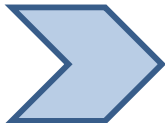
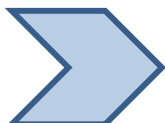
# Improvement Model of Net Income

Early profitability in net income & restore year end dividends for FY2014





# Summary of FY2014 Management Targets

	FY2013		FY2014
<b>Sales</b> <b>Up 7%</b>	¥1,566 billion		¥1,680 billion
<b>Operating income</b> <b>Up 41%</b>	¥24.9 billion		¥35.0 billion
<b>Net income</b> <b>Return to profitability</b>	▲¥25.1 billion		¥12.0 billion
<b>Net D/E</b> <b>Improvement</b> <b>0.05 point</b>	1.44		1.39
<b>Annual dividends</b>	¥3 per share (interim)		¥3 per share (period-end)

▲Denotes a minus

# CONTENTS

1. Results of FY2013 and Outlook for FY2014
2. **Summary of the 2011 Mid-Term Business Plan**
3. 2014 Mid-Term Business Plan

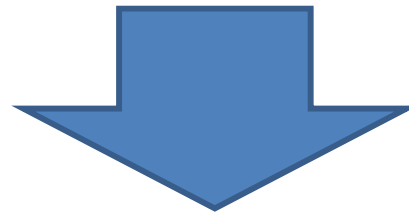
– Creating New Customer Value through Innovation –

## Corporate Mission

Contribute broadly to society by providing high-quality products and services to customers through innovations and the creation of materials and products while keeping in harmony with the global environment.

## Targets

- ◆ Establish a global presence focusing on Asia
- ◆ Establish a business portfolio for growth and sustainability

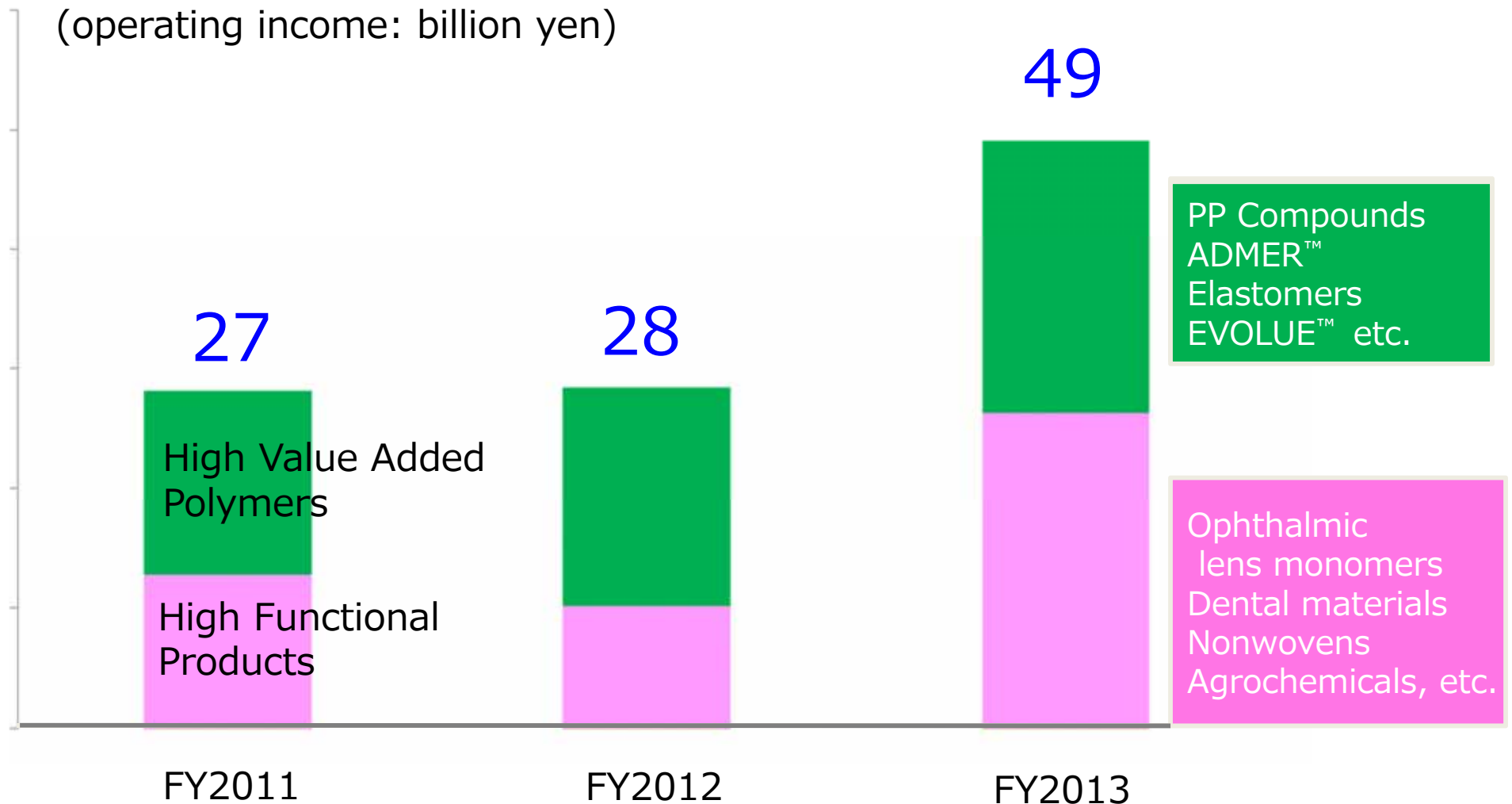


## Basic Strategies

- (1) **Expand two priority areas: "High Functional Products" and "High Value Added Polymers"**
- (2) **Restructure bulk & commodity product businesses**

# Steady Expansion of Two Priority Areas

Laying a foundation for renewed growth by  
-Carrying out business restructuring  
-Steadily expanding two priority areas



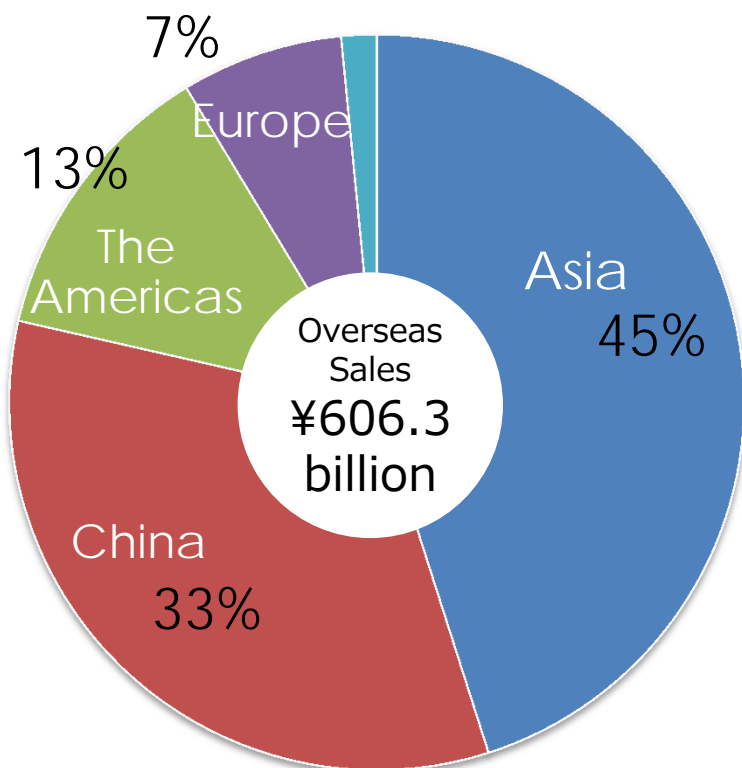
(1) Expand high functional products		Capacity	Timing
<b>Ophthalmic lens monomers</b>	World-leading strategy based on total solutions		
<ul style="list-style-type: none"> <li>Newly enter photochromic lens materials market</li> <li>Acquisition of SunSensors™ operations from Corning Inc.</li> </ul>		—	May 2014

(2) Restructure bulk & commodity products		Capacity	Timing
<b>Phenols</b>	Establish local production for local consumption, cost reduction		
<ul style="list-style-type: none"> <li>New utility agreement with TUAS Power Ltd. (coal + biomass boiler)</li> </ul>		<b>Effect: ¥1.0 billion/year</b>	From 2H of 2014
<b>Polyurethanes</b>	Strengthen specialty isocyanate operations Establish optimal production system for commodity polyurethane material		
<ul style="list-style-type: none"> <li>Sale of organic acid business to Fuso Chemical Co., Ltd. (business rights: October 2014)</li> </ul>	Maleic anhydride Fumaric acid	▲32KTA ▲15KTA	<ul style="list-style-type: none"> <li>Transfer of facilities after terminating operations at Kashima</li> <li>Continue contract production until transfer of facilities</li> </ul>
<b>Petrochemicals</b>	Establish optimal production system for low run rates		
<ul style="list-style-type: none"> <li>Shutdown Anesaki LLDPE plant</li> </ul>		▲60KTA	December 2014

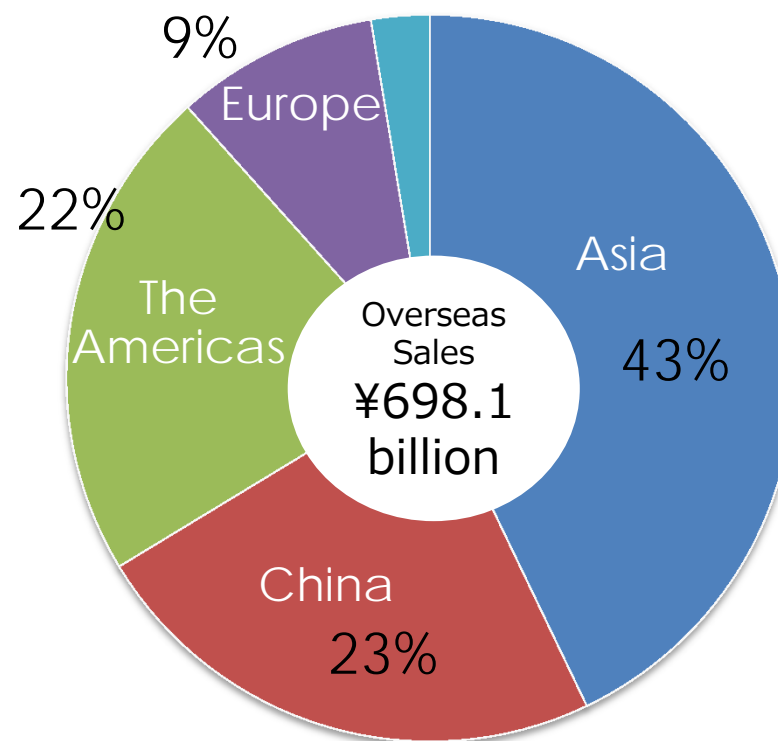
▲denotes a minus

# Progress Toward Globalization

**FY2011**  
Overseas Sales **42%**



**FY2013**  
Overseas Sales **45%**



Expand overseas sales and ratio of overseas sales to total sales

# CONTENTS

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– Creating New Customer Value through Innovation –

# 2014 Mid-Term Business Plan

– Creating New Customer  
Value through Innovation –

## 1. Future Image of the MCI Group

2. 2014 Mid-Term Business Plan / Basic Strategies

3. Mid-Term Management Targets



## Mega Trends

Maturity of markets in developed nations

Expansion of emerging markets and emergence of a middle class

Establishment of new alliances and economic blocs

Growing severity of environmental issues, widespread acceptance of the importance of sustainability

Intense competition to acquire resources, food, and water

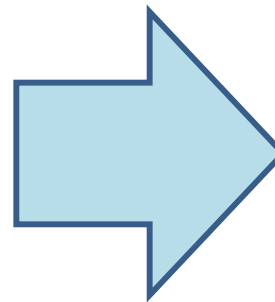
Simultaneous increase in life expectancies and decrease in birthrates

Population explosion in the BOP (“Base of Pyramid”) and aggravation of poverty issues

Trends toward urban and mega-city lifestyles

Advances toward smart and digital network societies

Growing lifestyle diversification



## Social Issues that the Chemical Industry Must Help Resolve

Natural environment	Response to climate change (reduction of GHG emissions)
	Protection of ecosystems (chemical management)
	Promotion of sustainable agriculture
Energy and resources	Protection and management of water resources
	Implementation of 3R principle (promotion of recycling-oriented society), conservation of resources
	Promotion of increasingly efficient use of resources
	Development of renewable energies
	Assurance of stable supply of industrial materials
People and lifestyles	Addressing decline in birthrates and aging population
	Enhancement of quality of life (QOL)
	Promotion of more sophisticated and better performing medications and pharmaceuticals
	Minimization of food loss and waste
	Increase in food production
	Promotion of environmentally sound lifestyles
	Generating employment
	Addressing growing shift to urban living and smart cities

**Chemistry plays an important role in addressing a variety of social issues through the development of innovative products and efficient technologies**

# The MCI Group's Aspirations

**Corporate Mission**      **Contribute to society by providing high-quality products and services to customers through innovations and the creation of materials and products while keeping in harmony with the global environment.**

**Corporate Target**      **Constantly pursuing innovation and growth to become a chemical group with an undisputed global presence**

**Mega Trends**  
Social issues that the chemical industry must help resolve

**MCI Group's Robust Business Platform**  
Technologies: polymer science, precision synthesis, and manufacturing process  
Customer base, existing businesses, and global structure

**Social challenges that the MCI Group must help resolve**

- Realizing a cohesive society that is in harmony with the environment
- Realizing health and happiness in an ageing society
- Realizing industrial platforms that are in harmony with local communities

Mobility: Every possible mode of human and commodity transportation

◆ **Targeted business domains that offer growth potential**

- Mobility      Healthcare      Food & Packaging
- ◆ **Commodity chemicals, mainly petrochemicals and basic chemicals, that will support society and industry**
- Basic Materials

# Business Domain Classification

	Mobility	Healthcare	Food & Packaging	Basic Materials
Existing Businesses	Growth drivers			Supportive earnings platform
	<ul style="list-style-type: none"> <li>-PP compounds</li> <li>-Coatings &amp; engineering materials</li> <li>-Functional polymers</li> </ul>	<ul style="list-style-type: none"> <li>-Ophthalmic lens monomers</li> <li>-Dental materials</li> <li>-Medical materials</li> <li>-Nonwovens</li> </ul>	<ul style="list-style-type: none"> <li>-HAO-LL</li> <li>-Films &amp; sheets</li> <li>-Agrochemicals</li> </ul>	<ul style="list-style-type: none"> <li>-Phenols, PTA/PET</li> <li>-Industrial chemicals</li> <li>-Polyurethanes</li> <li>-Polyolefin</li> <li>-Licensing and catalysts</li> </ul>
New Businesses for the Next Generation	<ul style="list-style-type: none"> <li>-Lightweight components</li> <li>-Next-generation LIB components</li> </ul>	<ul style="list-style-type: none"> <li>-Vision care</li> <li>-Oral care, others</li> </ul>		
Realizing a cohesive society that is in harmony with the environment				
Realizing health and happiness in an ageing society				
Realizing industrial platforms that are in harmony with local communities				

**Dynamically Explore Consumer Value**

**Dynamically explore consumer value to deliver optimal solutions** across the Group's full lineup of technologies, services, and its entire supply chain from materials to finished products

# Ideal Business Portfolio (1)

## Performance Expectation (Around 2020)

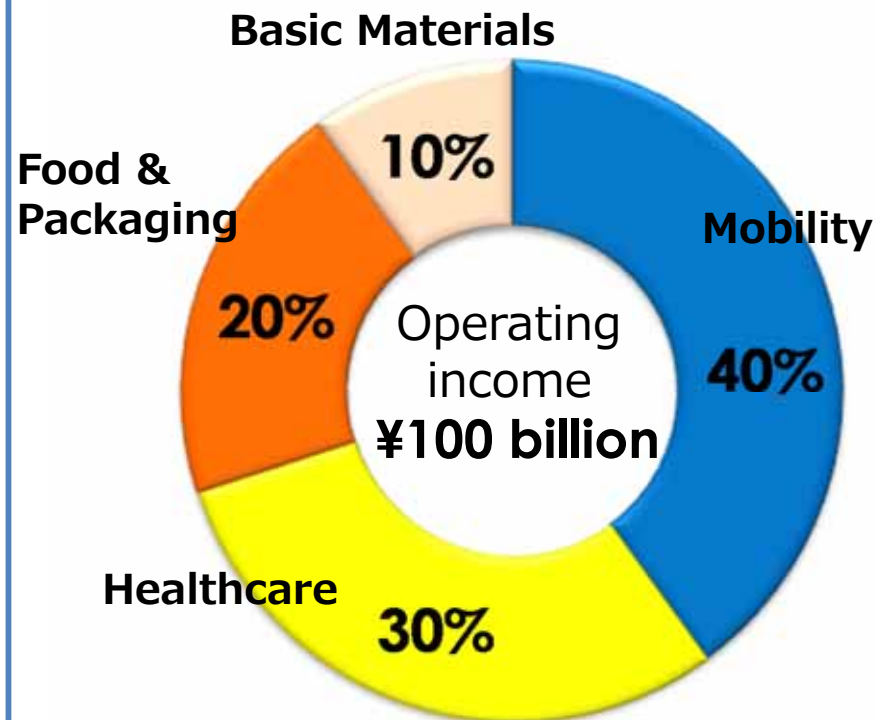
Sales  
**¥1,800 billion**

Operating income  
**¥100 billion**

ROA  
**6%**

Net income  
**¥50 billion**

## Image of business portfolio (Around 2020)



**Mobility**

1st earnings pillar

**HealthCare**

2nd earnings pillar

**Food & Packaging**

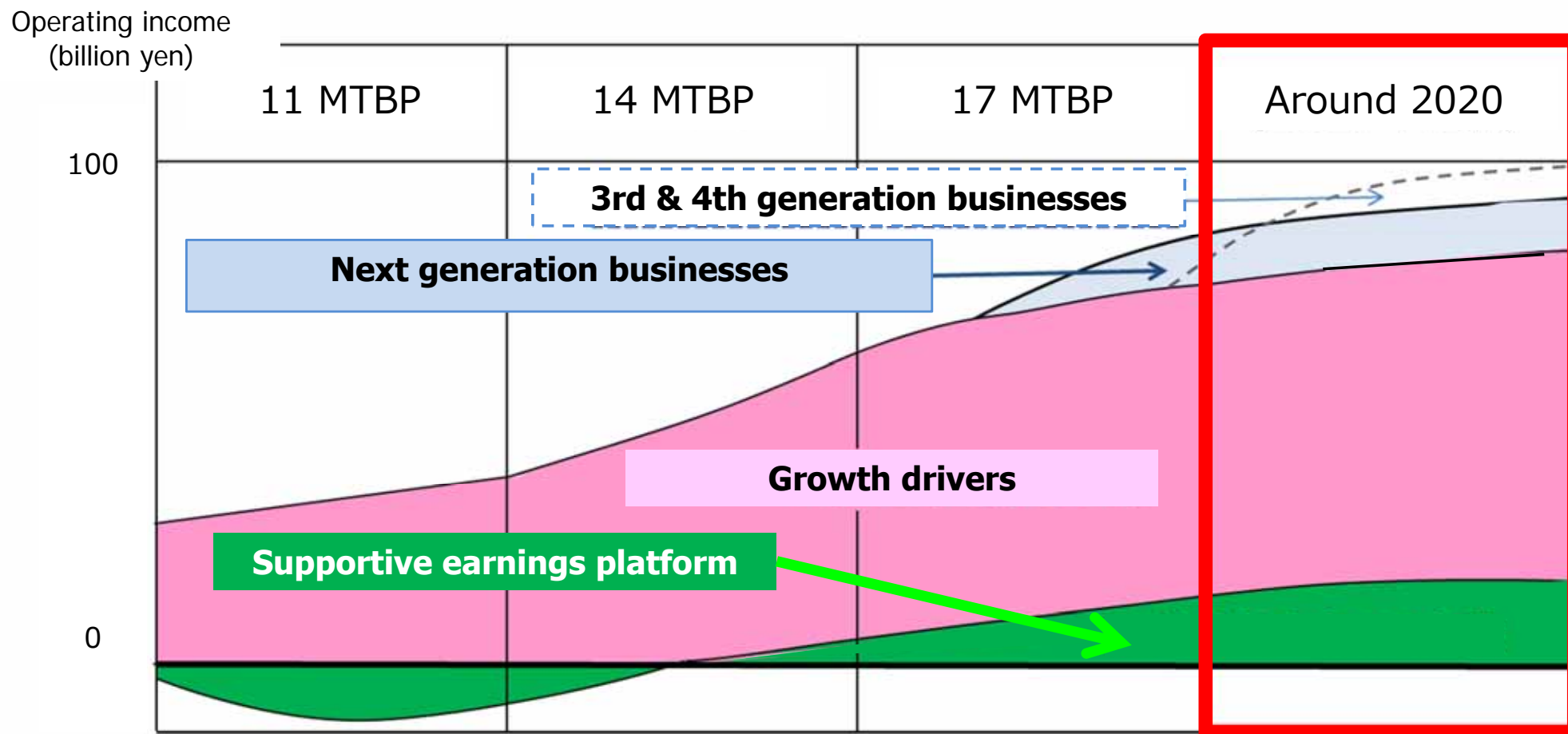
3rd earnings pillar

**Basic Materials**

stable earnings through business restructuring

# Ideal Business Portfolio (2)

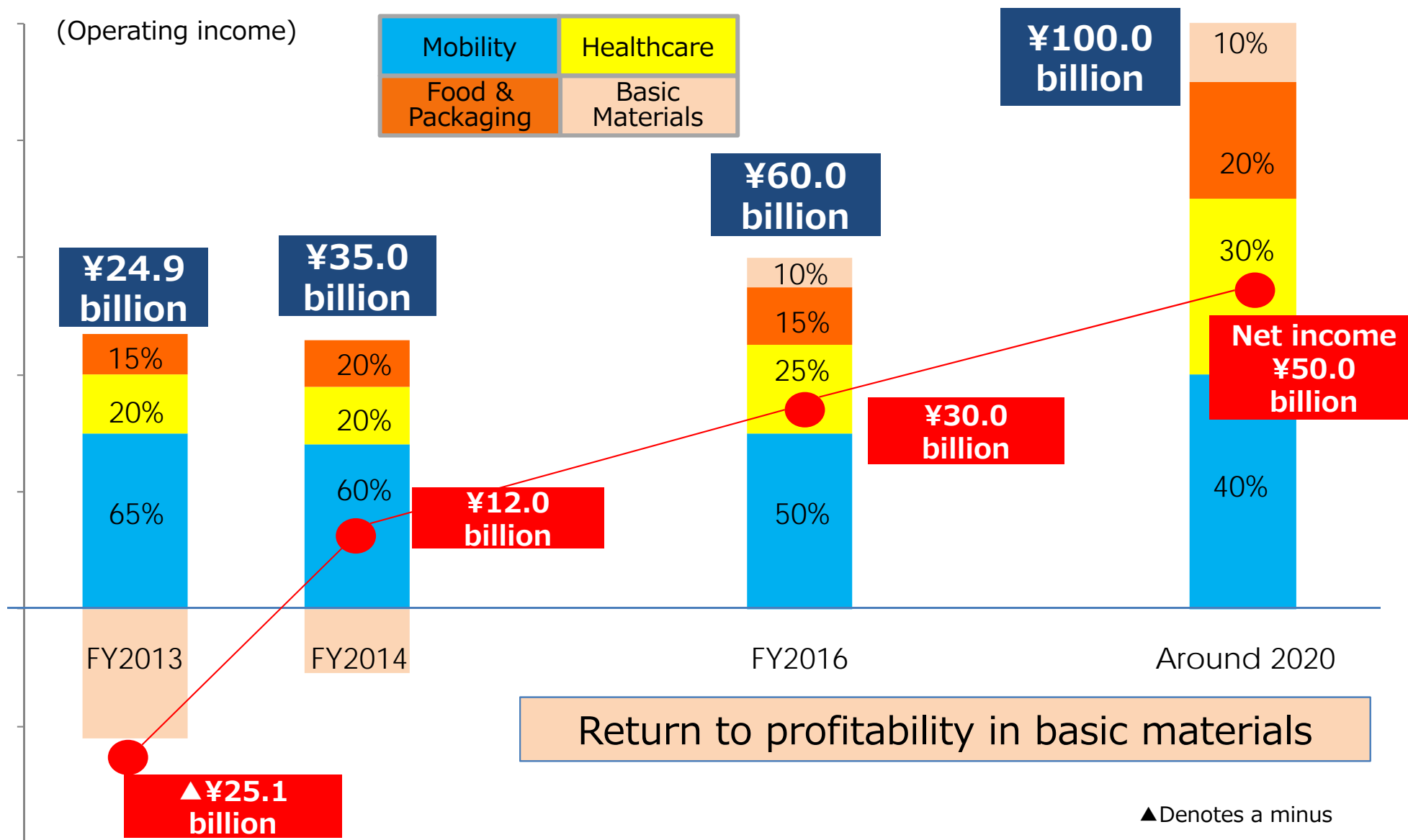
Bolstering portfolio transformation  
-Further expansion of "growth drivers"  
-Creating "next generation businesses"



Ongoing challenge to create new businesses

# Ideal Business Portfolio (3)

- ◆ Market-driven business strategy to resolve various social challenges
- ◆ Advance downstream businesses that harness strengths of existing businesses while expanding peripheral domains



# Mid- and Long-Term Management Targets

	FY2013		FY2014		FY2016		Around 2020
<b>Sales</b>	¥1,566 billion	➤	¥1,680 billion	➤	¥1,750 billion	➤	¥1,800 billion
<b>Operating income</b>	¥24.9 billion	➤	¥35.0 billion	➤	¥60.0 billion	➤	¥100.0 billion
<b>Net income</b>	▲¥25.1 billion	➤	¥12.0 billion	➤	¥30.0 billion	➤	¥50.0 billion
<b>ROA</b>	1.8%	➤	2.4%	➤	4%	➤	6%
<b>Net D/E</b>	1.44	➤	1.39	➤	1.20	➤	1.00
<b>Dividends</b>	¥3/share (interim)	➤	¥3/share (period-end)	<b>stable dividends</b> consolidated payout ratio: 25% ↑, DOE= 2.0 ↑			

# 2014 Mid-Term Business Plan

– Creating New Customer Value through Innovation –

1. Future Image of the MCI Group
2. 2014 Mid-Term Business Plan / Basic Strategies
3. Mid-Term Management Targets



## Issues to be solved

Aims of V-shaped turnaround

- ◆ Restructuring of business
- ◆ Recovery of growth investments
- ◆ Improvement of financial structure
- ◆ Implementation of cross-organizational initiatives to transform business portfolio
- ◆ Development of market-driven new businesses and products

## Mission of the 2014 Mid-Term Business Plan

### ◆ **Restore Company's financial soundness and ability to generate cash flow**

Bolster earnings capacity of existing businesses and complete restructuring of bulk & commodity product businesses

### ◆ **Transform business portfolio**

Create new customer value by fostering new businesses in mobility, healthcare, and food & packaging domains to contribute to society through business activities

### ◆ **Accelerate approach to global management**

Give shape to and carry out measures aimed at strengthening the Company's management platform

**“Creating New Customer Value through Innovation”**

- ◆ Growth through profit expansion
- ◆ Develop next generation businesses

Mobility strategy      Healthcare strategy

Food & packaging strategy

- ◆ Widely provide materials and technology to industries and society

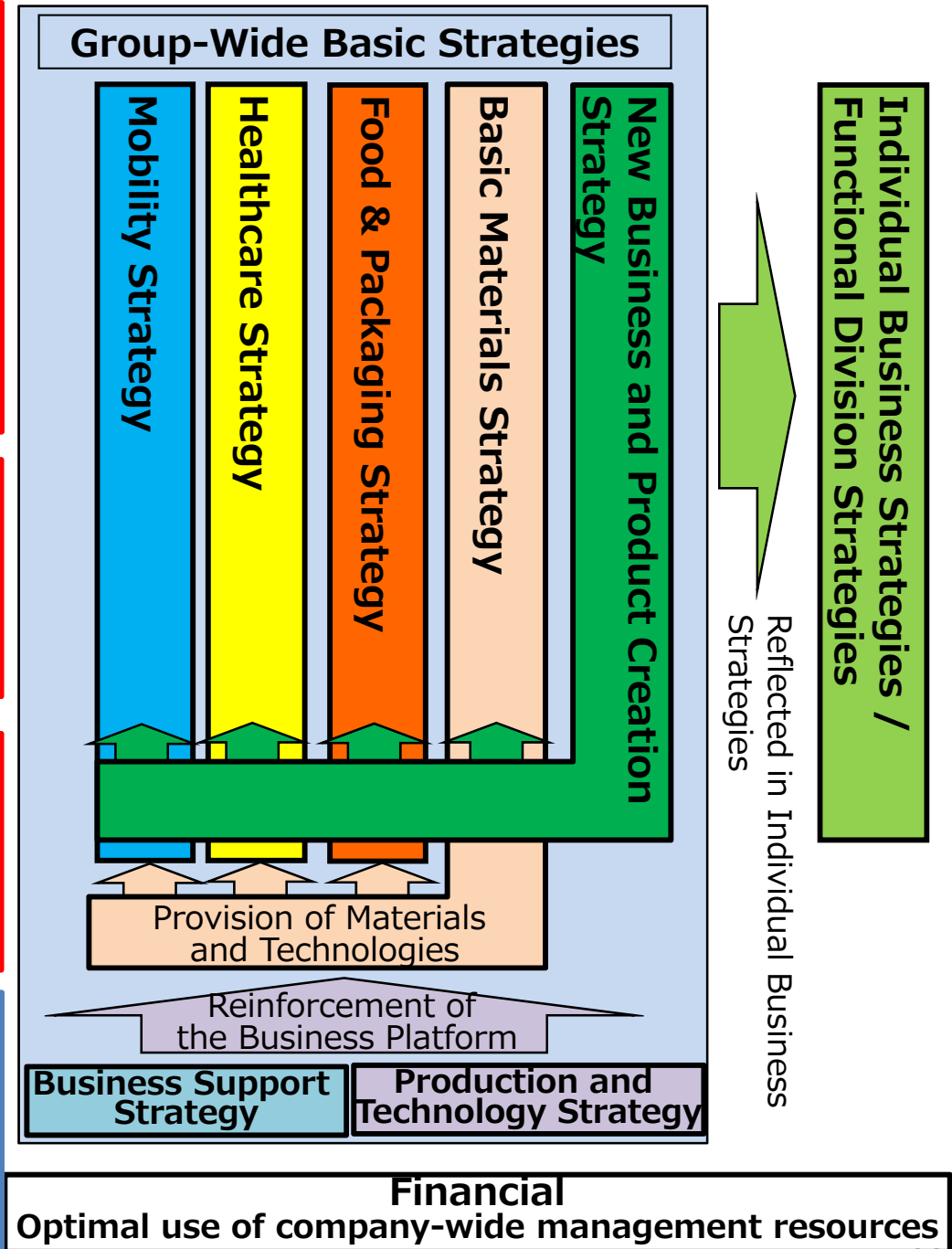
Basic materials strategy

- ◆ Promote market-driven development

New business and product creation strategy

- ◆ Reinforce business foundation in line with business portfolio transformation

Business support strategy      Production and technology strategy



Realizing a cohesive society that is in harmony with the environment

Realizing health and happiness in an ageing society

Realizing industrial platforms that are in harmony with local communities

**Direction**

**Provide group-wide cross-organizational solutions that take full advantage of comprehensive strengths**

Catalytic technology

Material design technology

Polymerization technology

Compound technology

Advanced Analysis technology

Robust customer base

Strong existing businesses

Global structure

Marketing

## Enhancing comfort

- Polyurethane seat cushions
- Superior brake pads
- Chemical substance allergy agents
- Interior and exterior materials
- Noise/Sound control materials

## Lighter-weight materials

- PP compounds
- Engineering plastics
- Plastic fuel tanks
- Integrated metal / resin parts
- Fiber reinforced composites

## Increasing efficiency and safety

- Separator materials
- Next-generation lithium ion battery materials

## Improving fuel efficiency

- Gear oils

## Improving design

- PP compounds
- Coating materials

# Expansion of Mobility Business

## Measures

- Make full use of information, technologies, and customer relationships that extend beyond company and organizational boundaries focusing mainly on automotive materials that have a robust customer platform
- Create new businesses based on customer needs and values

- PP Compounds : M&A, expansion of production capability
- Tafmer : Enhancement of specialty Tafmer
- EPT : New plant in China
- Admer : New plant in China
- Bio Polyol : New plant in India

**Growth investments**

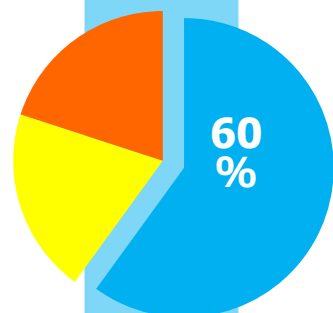
(Operating income)

**¥40 Billion**

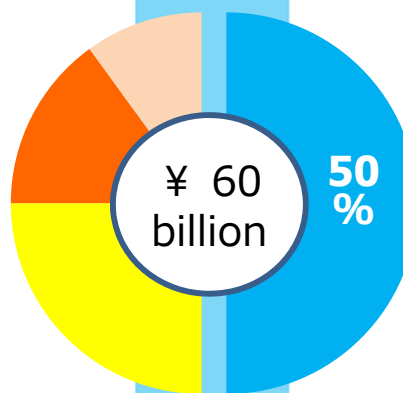
**Recovery of investments**

**¥30 Billion**

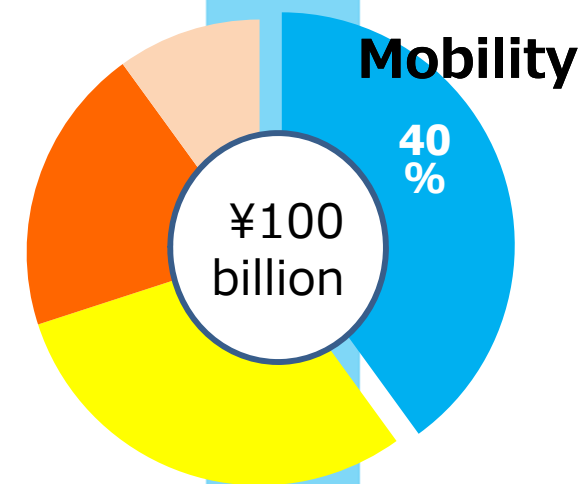
**¥28 Billion**



**FY 2014**



**FY2016**



**around 2020**



Realizing health and happiness in an ageing society

Realizing industrial platforms that are in harmony with local communities

**Direction**

**Establish a new growth platform through peripheral and downstream activities**

Material design technology

Synthesis technology

Bio technology

Processing technology  
3D design and processing

Advanced analysis technology

Robust customer base

Strong existing businesses

Global structure

Marketing

## Oral Care

- Existing dental materials
- New dental materials
- Next generation dentures

## Comfortable Hygiene Materials

- Stretch nonwovens, other

## Vision Care

- Ophthalmic lens monomers
- Lens coating materials
- Photochromic lens materials
- Functional lens materials

## Medical and Diagnostics

- Rapid bacteriological identification system

## New businesses relating to the five senses and the body

# Expansion of Healthcare Business

## Measures

- Bolster downstream and peripheral businesses that harness strengths to develop new products
- Develop new businesses relating to the five senses and the body based on polymer science

## Growth investments

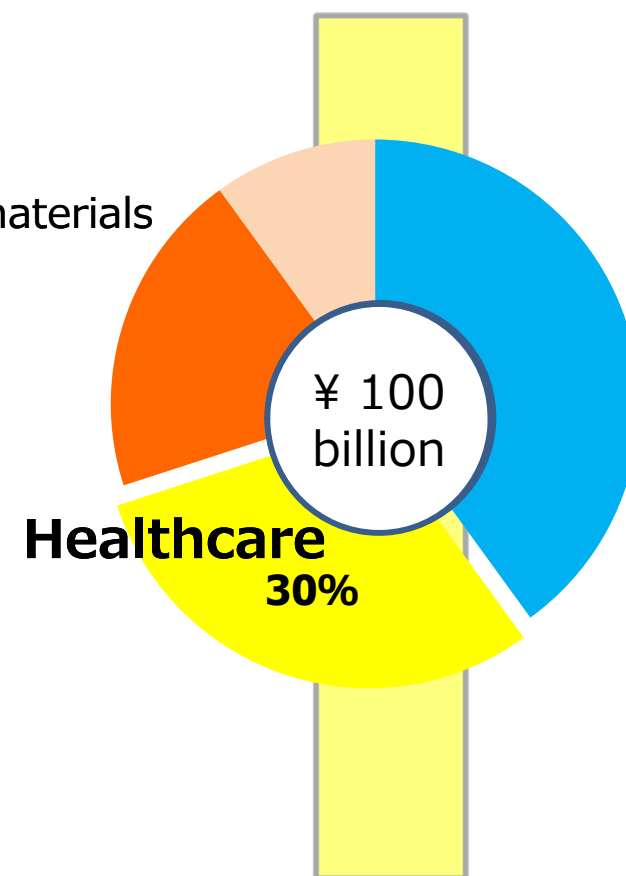
- Vision Care :  
Acquisition of ACOMON and KOC  
Establishment of SDC Singapore
- Oral Care :  
Acquisition of Heraeus Dental and DENTCA
- Nonwovens :  
Expansion of production capability in Japan,  
New base in China

## Recovery of investments

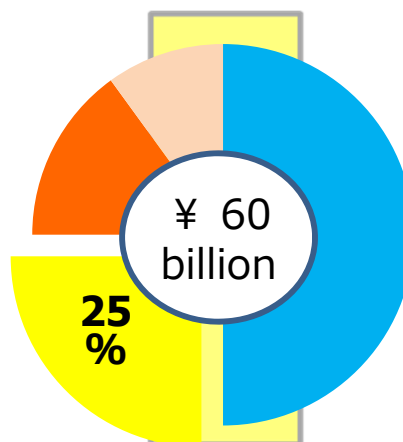
- Vision Care :  
Addition of photochromic lens materials

(Operating income)

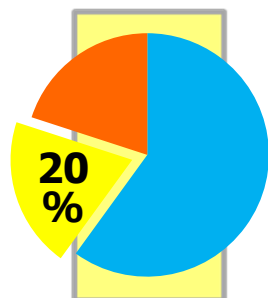
**¥30 Billion**



**¥15 Billion**



**¥10 Billion**



FY2014

FY2016

around 2020

Realizing health and happiness in an ageing society

Realizing industrial platforms that are in harmony with local communities

## Direction

Build a market-in business model for the growing Asian market and secure business opportunities for a 3rd earnings pillar

Material design technology

Polymerization technology

Film processing technology

Synthesis technology

Advanced analysis technology

Technology service structure

Strong existing businesses

Global structure

Marketing

### Food loss reduction

- Food packaging materials to maintain freshness

### Reliability and safety

- Medical packing materials, food packaging materials, others
- Highly safe agrochemicals

### Increase food production

- High performance agrochemicals
- Next-generation agrochemical ingredient pipelines (five new active ingredients)
- High-yield hybrid rice "Mitsuhikari"

### Environmental load reduction

- Lighter weight, thinner products
- Logistics solutions

### New agricultural system



# Expansion of Food & Packaging

## Measures

- Optimize internal and external resources of films & sheets
- Provide food solutions by utilizing Group technology

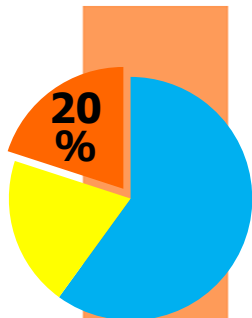
- Agrochemicals:
  - Establishment of overseas bases in Thailand and Brazil
  - Promotion of global registration of active ingredients
- EVOLUE:
  - Establishment of overseas bases in Singapore
- Films & Sheets:
  - Establishment of overseas bases in Thailand

## Growth investments

(Operating income)

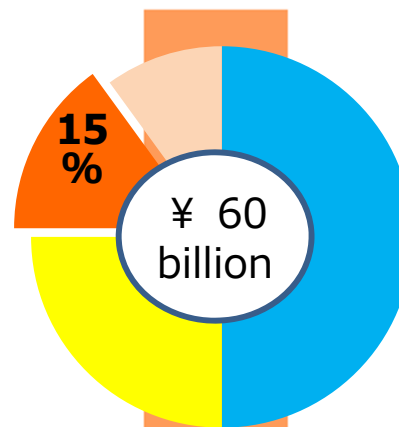
## Recovery of investments

¥8 Billion



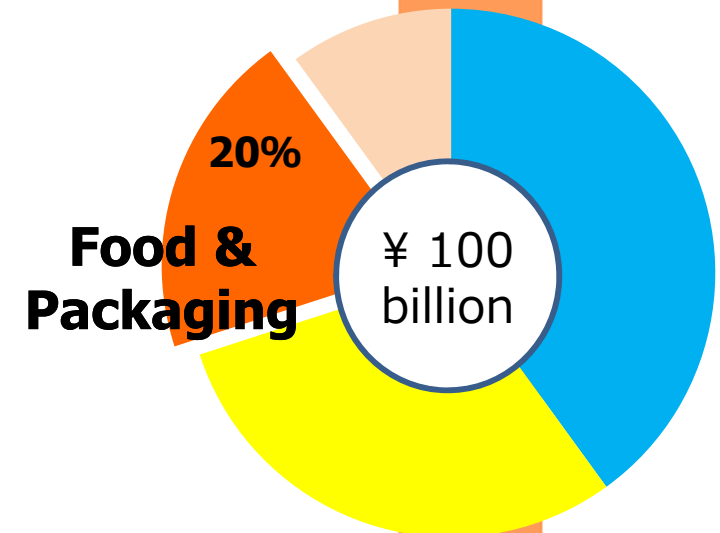
FY2014

¥10 Billion



FY2016

¥20 Billion



around 2020



# Basic Materials Strategy

Realizing a cohesive society that is in harmony with the environment

Realizing health and happiness in an ageing society

Realizing industrial platforms that are in harmony with local communities

**Direction**

**Secure stable profits by strengthening cost competitiveness through optimizing Group needs and restructuring businesses**

**Phenols**

【 Japan 】 Optimal production structure and systems  
 (Terminate operations at Chiba Phenol plant and Ichihara BPA plant)  
 【 Singapore 】 Reduce utility costs (New agreement with TUAS Power Ltd.)  
 【 China 】 Competitive advantage within the region (Start up a JV with Sinopec)

**PTA**

Transfer of PT Amoco Mitsui PTA Indonesia (AMI) shares  
 Study establishment of local production for local consumption with derivatives (PET)  
 Develop a comprehensive lineup from raw materials to derivatives

**Polyurethanes**

Develop optimal commodity polyurethane production structure  
 (Terminate operations at Kashima TDI and Omuta MDI plants)  
 Strengthen position by strategic deployment in highly competitive Middle East and through business alliances

**Further restructuring**

- ◆ Strengthen collaboration with leading local partners
- ◆ Support expansion of growth businesses with accumulated technologies and human resources

**Nigh Son Project**

Steady progress toward future procurement of low-cost raw materials

**FY2016 operating income target: ¥5 billion**

Realizing a cohesive society that is in harmony with the environment

Realizing health and happiness in an ageing society

Realizing industrial platforms that are in harmony with local communities

**Market driven development of next generation businesses and products**  
(Concentrate allocation of management resources into priority mobility, healthcare, and food & packaging domains)

Integrated metal / resin parts



New healthcare domain



Solar photovoltaic power generation diagnosis / consulting businesses

Mega solar operations



SOLAR EVA™



Diagnostic and consulting services



Demonstration power plant



Analysis, development, evaluation

**New business and product development sales target:  
¥100 billion (FY2016)**

# 2014 Mid-Term Business Plan

– Creating New Customer Value through Innovation –

1. Future Image of the MCI Group
2. 2014 Mid-Term Business Plan / Basic Strategies
- 3. Mid-Term Management Targets**

## FY2016 Goal

Operating Income  
**¥60 billion**

ROA  
**4% or more**

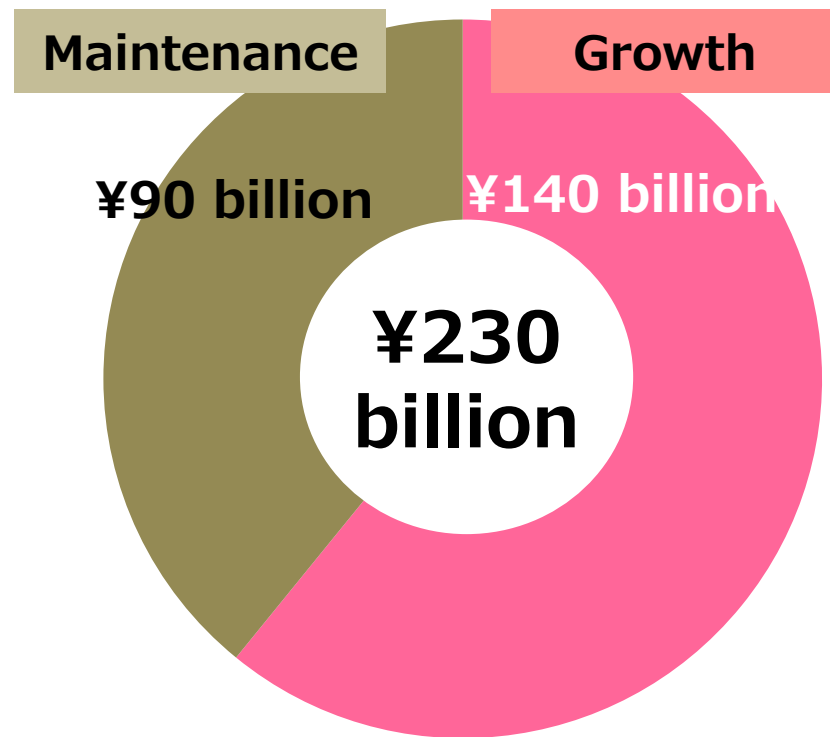
Net Income  
**¥30 billion**

New Business and Product Sales (FY2016)  
**¥100 billion\***

※ Total new business and product net sales over the FY 2012 to FY2016 five-year period

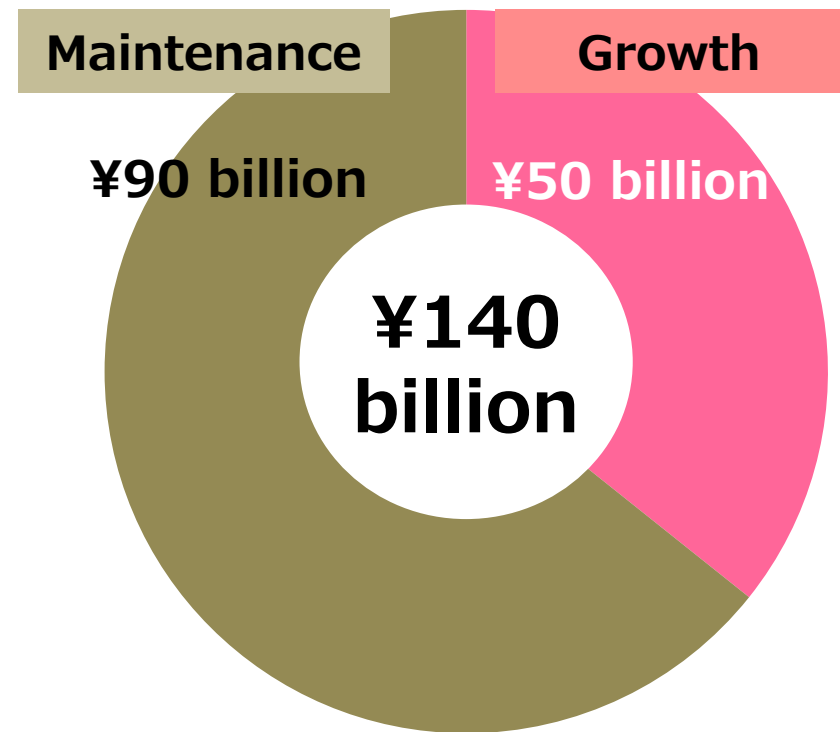
Target investments to speed-up improvement of financial conditions

## Investment under 11 MTBP (2011-13)



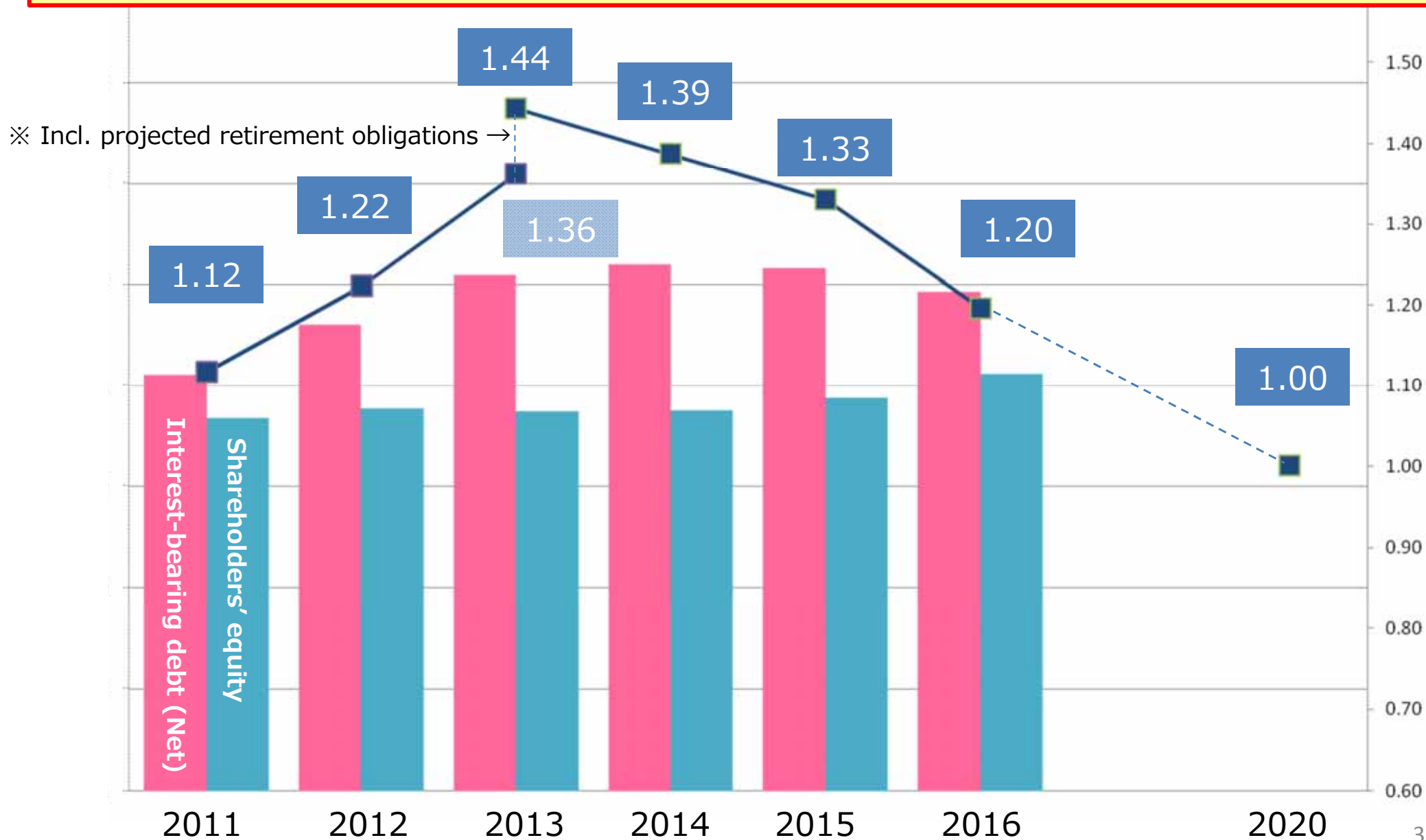
Improve cash flow by recovery of investments made under 11MTBP

## Investment under 14 MTBP (2014-16)



Growth investments will be allocated to Mobility, Healthcare, and Food & Packaging

**Priority on improving Group's financial strength  
Target early recovery in Net D/E to 1.2**



# Mid-Term Management Targets

▲ Denotes a minus

(FY13 → FY16)	FY2013	14 MTBP		Around 2020
		FY2014	FY2016	
<b>Sales</b> Up 12%	¥1,566 billion	¥1,680 billion	¥1,750 billion	¥1,800 billion
<b>Operating income</b> Up 141%	¥24.9 billion	¥35.0 billion	¥60.0 billion	¥100.0 billion
<b>Net income</b> Stable Profit	▲¥25.1 billion	¥12.0 billion	¥30.0 billion	¥50.0 billion
<b>ROA</b> Improvement 2.2point	1.8%	2.4%	4%	6%
<b>Net D/E</b> Improvement 0.24point	1.44	1.39	1.20	1.00
<b>Dividend</b> stable	¥3/share (interim)	¥3/share (period-end)	<b>stable dividends</b> Consolidated payout ratio: 25% ↑, DOE= 2.0 ↑	

**Creating new customer value**  
**and**  
**solving social challenges**  
**through business activities**



# *Challenge, Diversity, One Team*

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# Supplement



▲Denotes a minus

Restructure bulk & commodity products		Capacity	Timing
<b>Phenols</b>	Establish local production for local consumption, cost reduction		
• Terminate Ichihara BPA		▲90KTA	Mar.2014
• Terminate Chiba Phenol		▲250KTA	Sep.2014
• Suspend 1 BPA plant in Singapore		70KTA	From Mar.2014
• Smooth startup of China plant		+250KTA	May 2014
• <b>New utility agreement with Tuas Power</b>			2H, FY2014
<b>PTA</b>	Sustainability through collaboration with local production for local consumption in derivatives (PET) Promotion of integrated alliance		
• Transfer all shares in AMI (Indonesia) to BP Global		▲540KTA	Feb.2014
<b>Polyurethanes</b>	Strengthen specialty isocyanate operations Establish optimal production system for commodity polyurethane material		
• Terminate Chiba Polyol		▲28KTA	Jun.2012
• Shut-down Kashima Works TDI		▲117KTA	Target Dec.2016
Specialty isocyanate		▲2KTA	Target Dec.2016
<b>Sale of organic acid business to Fuso Chemical (business rights: Oct.2014)</b>			
Maleic anhydride		▲32KTA	Transfer facilities after terminating operations at Kashima
Fumaric acid		▲15KTA	
• Terminate MDI in Omuta		▲60KTA	Target Dec.2016
• Establish new large-scale XDI		+5KTA	Oct.2015

▲Denotes a minus

Petrochemicals		Capacity	Timing
<b>Ethylene Center</b>	Establish optimal operation system for low run rate		
•Implement low run rate measures (Chiba LLP)	–		Aug.2013
•Withdrawal from Keiyo Ethylene	Transfer	▲22.5%	Mar.2015
<b>Polyolefin</b>			
•Terminate 2 PP plants			
Ube PP plant		▲90KTA	Mar.2011
Ichihara PP plant		▲90KTA	Jun.2013
•Terminate 2 PE plants			
Anesaki HDPE plant		▲130KTA	Apr.2013
Anesaki LLDPE plant		▲60KTA	Dec.2014

High functional products	Capacity	Timing
<b>Ophthalmic lens monomers</b> <b>World-leading strategy based on total solutions</b>		
<ul style="list-style-type: none"> <li>• Strengthen ophthalmic lens monomers lineup               <ul style="list-style-type: none"> <li>Acquisition of ACOMON in Switzerland</li> <li>Acquisition of KOC in Korea</li> </ul> </li> <li>• Expansion of lens coating businesses               <ul style="list-style-type: none"> <li>Establish SDC Singapore</li> </ul> </li> <li>• Newly enter photochromic lens materials market               <ul style="list-style-type: none"> <li>Acquisition of SunSensors™ operations from Corning</li> </ul> </li> </ul>	– – – –	Apr.2011 Mar.2013 Sep.2013 May 2014
<b>Dental materials</b> <b>Secure global bases</b>		
<ul style="list-style-type: none"> <li>• Acquisition of Heraeus Dental               <ul style="list-style-type: none"> <li>Secure global bases spread over 22 countries</li> </ul> </li> <li>• Newly enter denture market               <ul style="list-style-type: none"> <li>Acquisition of DENTCA in U.S.A</li> </ul> </li> </ul>	– –	Jun.2013 Jun.2013
<b>Nonwovens</b> <b>Establish 3 bases in Asia(64KTA → 94KTA)</b>		
<ul style="list-style-type: none"> <li>• Expansion of production capability in Japan</li> <li>• New base in China</li> </ul>	+ 15KTA + 15KTA	Apr.2012 Sep.2013
<b>Agrochemicals</b> <b>Secure global bases, promotion of global registration</b>		
<ul style="list-style-type: none"> <li>• Secure overseas bases               <ul style="list-style-type: none"> <li>Acquire stake of Sotus in Thailand</li> <li>Acquire stake of Iharabras in Brazil</li> <li>Establish new R&amp;D base in Thailand</li> </ul> </li> <li>• Promotion of registration of active ingredients (India, North America, China, Europe)</li> </ul>	– –	May 2011 Sep.2011 Feb.2014

High Value Added Polymers		Capacity	Timing
<b>PP compounds</b> (Mobility)	<b>Secure position as global leader with 8 bases</b> (FY10 740KTA→FY14 992KTA)		
<ul style="list-style-type: none"> <li>• Acquisition of Produmaster in Brazil</li> <li>• Expansion of production capability</li> <li>• New R&amp;D base in Europe</li> </ul>		+ 55KTA + 197KTA –	May 2012 – Jun.2014
<b>Evolve (Packaging)</b>	<b>Strengthen market share in Asia</b>		
<ul style="list-style-type: none"> <li>• Expansion of production capacity in Japan</li> <li>• New base in Singapore</li> </ul>		+ 50KTA + 300KTA	Nov.2011 May 2015
<b>Tafmer</b> (Mobility, Packaging)	<b>Secure world's top share</b>		
<ul style="list-style-type: none"> <li>• Enhancement of specialty Tafmer</li> </ul>		+ 80KTA	Feb.2014
<b>EPT (Mobility)</b>	<b>Strengthen market share in Asia</b>		
<ul style="list-style-type: none"> <li>• New base in China</li> </ul>		+ 75KTA	Aug.2014
<b>Admer</b> (Mobility, Packaging)	<b>Secure world's top share</b>		
<ul style="list-style-type: none"> <li>• New base in China (※incl. Milastomer)</li> </ul>		+ 11KTA	Oct.2014
<b>Bio-Polyol (Mobility)</b>			
<ul style="list-style-type: none"> <li>• New base in India</li> </ul>		+ 8KTA	Jan.2015