

Fiscal 2011 Financial Results

– supplementary financial summary –

May 9, 2012

Asahi Kasei Corporation

Consolidated results for FY 2011

| | |
|---------------------------------------|------|
| Summary of financial results | 4–5 |
| Statements of income | 6 |
| Financing activity | 7 |
| Extraordinary income and loss | 8 |
| Sales and operating income by segment | 9–12 |
| Balance sheets | 13 |
| Cash flows and primary investments | 14 |

Forecast for FY 2012

| | |
|------------------------------------|-------|
| Consolidated operating performance | 16 |
| Forecast by segment | 17–19 |
| Appendix | |
| Quarterly performance by segment | 21–22 |
| Primary investments by segment | 23 |
| Major investments | 24 |
| Overview of results by segment | 25–37 |
| Statements of comprehensive income | 38 |

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.

Consolidated Results for Fiscal Year 2011

Summary of financial results (i)

AsahiKASEI

(¥ billion)

| | FY 2010 | FY 2011 | | FY 2011 vs FY 2010 | | Actual vs forecast | |
|------------------------|---------|---------|-----------------|---------------------|----------|---------------------|----------|
| | | Actual | Forecast in Feb | Increase (decrease) | % change | Increase (decrease) | % change |
| Net sales ¹ | 1,555.9 | 1,573.2 | 1,624.0 | 17.3 | +1.1% | (50.8) | -3.1% |
| Operating income | 122.9 | 104.3 | 104.0 | (18.7) | -15.2% | 0.3 | +0.2% |
| Ordinary income | 118.2 | 107.6 | 104.0 | (10.7) | -9.0% | 3.6 | +3.4% |
| Net income | 60.3 | 55.8 | 53.0 | (4.5) | -7.5% | 2.8 | +5.2% |

¹ Naphtha resale amount is deducted from net sales due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.) Forecast in Feb., however, was based on the former accounting policy with naphtha resale included in net sales.

Naphtha resale: Asahi Kasei Chemicals Corp. resells a portion of purchased naphtha and then purchases other naphtha for use for improvement of feedstock quality and production cost. Previously, the resale amount was included in net sales and the purchase cost of the resold naphtha was included in cost of sales. Under the new accounting policy, naphtha resale is not included in net sales, but the difference between the purchase cost and the resale amount is reflected in cost of sales.

| At closing | FY 2010 | FY 2011 | Increase (decrease) |
|-----------------------|---------|---------|---------------------|
| Total assets | 1,425.9 | 1,410.6 | (15.3) |
| Equity | 663.6 | 706.8 | 43.3 |
| Interest-bearing debt | 253.9 | 184.1 | (69.8) |
| Debt/equity ratio | 0.38 | 0.26 | (0.12) |

Summary of financial results (ii)

| | FY 2010 | FY 2011 |
|---|---------|---------|
| Net income per share (EPS) | ¥43.11 | ¥39.89 |
| Dividends per share | ¥11 | ¥14 |
| Payout ratio | 25.5% | 35.1% |
| Net income per total assets (ROA) | 4.3% | 3.9% |
| Net income per shareholders' equity (ROE) | 9.3% | 8.1% |
| Shareholders' equity per share (BPS) | ¥474.59 | ¥505.72 |

Scope of consolidation

| | | |
|--|-----|-----|
| Number of consolidated subsidiaries | 101 | 105 |
| Number of unconsolidated subsidiaries and affiliate companies for which the equity method is applied | 49 | 46 |

Key operating factors

| | | |
|---------------------------------------|--------|--------|
| Naphtha price (¥/kL, domestic) | 47,475 | 54,925 |
| ¥/US\$ exchange rate (market average) | 86 | 79 |

| | | |
|-----------------------|--------|--------|
| Employees at year end | 25,016 | 25,409 |
|-----------------------|--------|--------|

Statements of income

Asahi**KASEI**

(¥ billion)

| | FY 2010 | | FY 2011 | | Increase (decrease) | % change |
|---|---------|------------|---------|------------|------------------------|----------|
| | | % of sales | | % of sales | | |
| Net sales ¹ | 1,555.9 | 100.0% | 1,573.2 | 100.0% | 17.3 | +1.1% |
| Cost of sales ¹ | 1,151.2 | 74.0% | 1,179.0 | 74.9% | 27.8 | +2.4% |
| Gross profit | 404.7 | 26.0% | 394.3 | 25.1% | (10.5) | -2.6% |
| Selling, general and administrative expenses | 281.8 | 18.1% | 290.0 | 18.4% | 8.2 | +2.9% |
| Operating income | 122.9 | 7.9% | 104.3 | 6.6% | (18.7) | -15.2% |
| Non-operating income (expenses) | (4.7) | | 3.3 | | 8.0 | |
| of which, | | | | | | |
| financing income and expense | 0.0 | | 1.4 | | 1.4 | |
| equity in earnings of affiliates | 2.2 | | 0.7 | | (1.5) | |
| foreign exchange losses | (3.9) | | (0.2) | | 3.7 | |
| gain on reversal of provision for noncurrent assets removal expenses | - | | 2.2 | | 2.2 | |
| Ordinary income | 118.2 | 7.6% | 107.6 | 6.8% | (10.7) | -9.0% |
| Extraordinary income (loss) | (19.9) | | (12.7) | | 7.2 | |
| Income before income taxes | 98.3 | 6.3% | 94.9 | 6.0% | (3.5) | -3.5% |
| Income taxes | (36.7) | | (38.0) | | (1.3) | |
| Minority interest in income (loss) | (1.4) | | (1.1) | | 0.3 | |
| Net income | 60.3 | 3.9% | 55.8 | 3.5% | (4.5) | -7.5% |

¹ Naphtha resale amount is deducted from net sales and cost of sales respectively due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.) 6/38

Financing activity

Net financing expenses

(¥ billion)

| | FY 2010 | FY 2011 | Increase (decrease) |
|-------------------|---------|---------|------------------------|
| Interest expenses | (3.3) | (2.7) | 0.6 |
| Interest income | 1.1 | 1.4 | 0.3 |
| Dividends income | 2.3 | 2.7 | 0.5 |
| Others | (0.1) | (0.1) | 0.0 |
| Total | 0.0 | 1.4 | 1.4 |

Interest-bearing debt

(¥ billion)

| At closing | FY 2010 | FY 2011 | Increase (decrease) |
|--------------------------|---------|---------|------------------------|
| Short-term loans payable | 108.9 | 74.5 | (34.4) |
| Commercial paper | 23.0 | 15.0 | (8.0) |
| Long-term loans payable | 91.7 | 62.7 | (29.0) |
| Bonds payable | 25.0 | 25.0 | – |
| Lease obligations | 5.3 | 6.9 | 1.6 |
| Total | 253.9 | 184.1 | (69.8) |

Extraordinary income and loss

Asahi**KASEI**

(¥ billion)

| | FY 2010 | FY 2011 | Increase (decrease) |
|---|---------|---------|------------------------|
| Extraordinary income | | | |
| Gain on sales of investment securities | 0.4 | 0.2 | (0.2) |
| Gain on sales of property, plant and equipment | 0.5 | 0.5 | 0.0 |
| Reversal of allowance for doubtful accounts | 0.1 | — | (0.1) |
| Gain on transfer of business | 0.7 | — | (0.7) |
| Gain on step acquisitions | — | 2.3 | 2.3 |
| Total extraordinary income | 1.7 | 3.0 | 1.3 |
| Extraordinary loss | | | |
| Loss on sales of investment securities | 0.4 | — | (0.4) |
| Loss on valuation of investment securities | 0.7 | 1.9 | 1.2 |
| Loss on disposal of noncurrent assets | 4.9 | 3.5 | (1.3) |
| Impairment loss | 2.4 | 0.5 | (1.9) |
| Environmental expenses | 1.2 | 0.3 | (0.9) |
| Loss on adjustment for changes of accounting standard for asset retirement obligations | 1.2 | — | (1.2) |
| Loss on disaster | 0.8 | 1.0 | 0.2 |
| Business structure improvement expenses | 10.0 | 8.5 | (1.6) |
| Total extraordinary loss | 21.6 | 15.7 | (5.9) |
| Net extraordinary income (loss) | (19.9) | (12.7) | 7.2 |

FY 2011 vs FY 2010 sales and operating income by segment

Asahi**KASEI**

(¥ billion)

| | Sales ¹ | | | Operating income | | | FY 11 forecast in Feb | |
|-------------------------------------|--------------------|---------|---------------------|------------------|---------|---------------------|-----------------------|------------------|
| | FY 2010 | FY 2011 | Increase (decrease) | FY 2010 | FY 2011 | Increase (decrease) | Sales ¹ | Operating income |
| Chemicals | 699.8 | 680.1 | (19.7) | 64.4 | 44.5 | (19.9) | 728.0 | 45.0 |
| Homes | 409.2 | 452.0 | 42.7 | 36.5 | 46.3 | 9.9 | 453.0 | 47.0 |
| Health Care | 116.4 | 119.5 | 3.1 | 7.0 | 8.8 | 1.8 | 120.0 | 9.0 |
| Fibers | 108.8 | 110.8 | 2.1 | 4.2 | 3.1 | (1.1) | 111.0 | 3.0 |
| Electronics | 158.3 | 146.1 | (12.2) | 14.3 | 6.4 | (7.8) | 147.0 | 5.5 |
| Construction Materials | 47.4 | 46.1 | (1.3) | 2.1 | 1.8 | (0.3) | 46.0 | 1.5 |
| Others | 16.0 | 18.6 | 2.5 | 1.7 | 3.0 | 1.3 | 19.0 | 3.0 |
| Corporate expenses and eliminations | — | — | — | (7.2) | (9.7) | (2.5) | — | (10.0) |
| Consolidated | 1,555.9 | 1,573.2 | 17.3 | 122.9 | 104.3 | (18.7) | 1,624.0 | 104.0 |

¹ Naphtha resale amount is deducted from net sales in Chemicals due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.) Forecast in Feb., however, was based on the former accounting policy with naphtha resale included in net sales.

Overseas sales by segment

AsahiKASEI

(¥ billion)

| | FY 2010 | | | FY 2011 | | | Increase (decrease) | |
|---------------------------------|--------------------------|-------------------|------------|--------------------------|-------------------|------------|------------------------|----------|
| | Total sales ¹ | Overseas sales | % of total | Total sales ¹ | Overseas sales | % of total | | % change |
| | | | | | | | | |
| Chemicals | 699.8 | 304.5 | 43.5% | 680.1 | 281.1 | 41.3% | (23.4) | -7.7% |
| Homes | 409.2 | — | — | 452.0 | — | — | — | — |
| Health Care | 116.4 | 26.6 | 22.9% | 119.5 | 28.5 | 23.9% | 1.9 | +7.1% |
| Fibers | 108.8 | 37.4 | 34.4% | 110.8 | 35.4 | 31.9% | (2.0) | -5.3% |
| Electronics | 158.3 | 79.6 | 50.3% | 146.1 | 74.2 | 50.8% | (5.4) | -6.8% |
| Construction Materials | 47.4 | — | — | 46.1 | — | — | — | — |
| Others | 16.0 | 1.2 | 7.5% | 18.6 | 2.4 | 12.7% | 1.2 | +96.0% |
| Total | 1,555.9 | 449.3 | 28.9% | 1,573.2 | 421.5 | 26.8% | (27.8) | -6.2% |
| Sales to East Asia ² | | 294.9 | 19.0% | | 269.2 | 17.1% | (25.7) | -8.7% |
| of which, sales to China | | 169.6 | 10.9% | | 151.3 | 9.6% | (18.4) | -10.8% |

Sales, excluding Homes
and Construction Materials

1,099.3 449.3 40.9% 1,075.1 421.5 39.2%

¹ Naphtha resale amount is deducted from net sales in Chemicals due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.)

² China, Korea, and Taiwan.

Sales and operating income increases/decreases by segment, FY 2011 vs FY 2010 (i)

AsahiKASEI

(¥ billion)

| | | FY 2010 | FY 2011 | Net increase (decrease) | Increase (decrease) due to: | | | | |
|-------------|---------------------|---------|---------|-------------------------------|-----------------------------|-----------------|---|--------|----------------------------------|
| | | | | | Sales volume | Sales prices | of which, due to foreign exchange | Others | Operating costs and others |
| Chemicals | Sales ¹ | 699.8 | 680.1 | (19.7) | (32.2) | 19.6 | (12.9) | (7.0) | – |
| | Operating income | 64.4 | 44.5 | (19.9) | (3.5) | | | – | (36.0) |
| Homes | Sales | 409.2 | 452.0 | 42.7 | 46.5 | (0.4) | – | (3.4) | – |
| | Operating income | 36.5 | 46.3 | 9.9 | 15.0 | | | – | (4.7) |
| Health Care | Sales | 116.4 | 119.5 | 3.1 | 7.4 | (2.3) | (0.7) | (2.0) | – |
| | Operating income | 7.0 | 8.8 | 1.8 | 4.3 | | | – | (0.3) |
| Fibers | Sales | 108.8 | 110.8 | 2.1 | 1.4 | 0.7 | (2.0) | 0.0 | – |
| | Operating income | 4.2 | 3.1 | (1.1) | 0.0 | | | – | (1.8) |

¹ Naphtha resale amount is deducted from net sales due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.)

Sales and operating income increases/decreases by segment, FY 2011 vs FY 2010 (ii)

AsahiKASEI

(¥ billion)

| | | FY 2010 | FY 2011 | Net increase (decrease) | Increase (decrease) due to: | | | | |
|--|---------------------|---------|---------|-------------------------------|-----------------------------|-----------------|---|--------|----------------------------------|
| | | | | | Sales volume | Sales prices | of which, due to foreign exchange | Others | Operating costs and others |
| Electronics | Sales | 158.3 | 146.1 | (12.2) | 2.3 | (14.9) | (2.7) | 0.3 | – |
| | Operating income | 14.3 | 6.4 | (7.8) | 4.6 | | | – | 2.4 |
| Construction Materials | Sales | 47.4 | 46.1 | (1.3) | (1.4) | 0.1 | – | 0.0 | – |
| | Operating income | 2.1 | 1.8 | (0.3) | (0.5) | | | – | 0.1 |
| Others | Sales | 16.0 | 18.6 | 2.5 | 2.5 | 0.0 | 0.0 | 0.0 | – |
| | Operating income | 1.7 | 3.0 | 1.3 | 1.0 | | | – | 0.2 |
| Corporate expenses and eliminations | Operating loss | (7.2) | (9.7) | (2.5) | – | – | – | – | (2.5) |
| Consolidated | Sales ¹ | 1,555.9 | 1,573.2 | 17.3 | 26.6 | 2.7 | (18.2) | (12.0) | – |
| | Operating income | 122.9 | 104.3 | (18.7) | 21.0 | | | – | (42.4) |

¹ Naphtha resale amount is deducted from net sales in Chemicals due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.)

Balance sheets

AsahiKASEI

(¥ billion)

| | At end of Mar 2011 | At end of Mar 2012 | Increase (decrease) | | At end of Mar 2011 | At end of Mar 2012 | Increase (decrease) |
|---|-----------------------|-----------------------|------------------------|---|-----------------------|-----------------------|------------------------|
| Current assets | 755.7 | 721.8 | (33.9) | Liabilities ¹ | 750.3 | 691.3 | (59.0) |
| Cash and deposits | 140.3 | 102.9 | (37.4) | Current liabilities | 483.8 | 449.6 | (34.2) |
| Notes and accounts receivable, trade | 273.4 | 266.1 | (7.4) | Noncurrent liabilities | 266.5 | 241.7 | (24.8) |
| Inventories | 256.2 | 279.2 | 23.0 | Net assets | 675.6 | 719.3 | 43.7 |
| Other current assets | 85.7 | 73.6 | (12.0) | Shareholders' equity | 659.4 | 696.8 | 37.4 |
| Noncurrent assets | 670.2 | 688.8 | 18.6 | Capital stock | 103.4 | 103.4 | — |
| Property, plant and equipment | 418.4 | 416.1 | (2.2) | Capital surplus | 79.4 | 79.4 | 0.0 |
| Intangible assets | 31.1 | 45.2 | 14.1 | Retained earnings | 478.7 | 516.4 | 37.7 |
| Investments and other assets | 220.8 | 227.5 | 6.7 | Treasury stock | (2.1) | (2.4) | (0.3) |
| | | | | Accumulated other comprehensive income | 4.2 | 10.0 | 5.8 |
| | | | | Minority interest | 12.0 | 12.4 | 0.4 |
| Total assets | 1,425.9 | 1,410.6 | (15.3) | Total liabilities and net assets | 1,425.9 | 1,410.6 | (15.3) |

¹ Provision for noncurrent assets removal costs, which was previously included in current liabilities, was divided into current liabilities and noncurrent liabilities with an accounting policy change adopted in Q4 of FY 2011. Figures at end of March 2011 are adjusted accordingly.

Cash flows and primary investments

Cash flows

(¥ billion)

| | FY 2010 | FY 2011 |
|--|---------|---------|
| a. Net cash provided by (used in) operating activities | 148.1 | 141.3 |
| b. Net cash provided by (used in) investing activities | (78.8) | (89.5) |
| c. Free cash flows [a+b] | 69.3 | 51.8 |
| d. Net cash provided by (used in) financing activities | (26.1) | (91.0) |
| e. Effect of exchange rate change on cash and cash equivalents | (2.7) | (0.8) |
| f. Net increase (decrease) in cash and cash equivalents [c+d+e] | 40.4 | (40.1) |
| g. Cash and cash equivalents at beginning of period | 93.1 | 134.4 |
| h. Increase in cash and cash equivalents resulting from change of scope of consolidation | 0.9 | 1.5 |
| i. Effect of change in the reporting period of consolidated subsidiaries and affiliates | – | 0.5 |
| j. Cash and cash equivalents at end of period [f+g+h+i] | 134.4 | 96.4 |

Primary investments

(¥ billion)

| | FY 2010 | FY 2011 |
|----------------------------------|---------|---------|
| Capital expenditure (tangible) | 60.1 | 75.4 |
| Capital expenditure (intangible) | 5.9 | 9.7 |
| Total | 66.0 | 85.1 |
| Depreciation and amortization | 85.2 | 79.6 |
| R&D expenditures | 62.3 | 66.3 |

Forecast for Fiscal Year 2012

Consolidated operating performance

Asahi**KASEI**

(¥ billion)

| | FY 2010 | FY 2011 | | | FY 2012 forecast | | | Increase (decrease) |
|------------------------|------------|---------|-------|---------|------------------|-------|---------|------------------------|
| | | H1 | H2 | Total | H1 | H2 | Total | |
| Net sales ¹ | 1,555.9 | 784.4 | 788.8 | 1,573.2 | 847.0 | 934.0 | 1,781.0 | 207.8 |
| Operating income | 122.9 | 63.8 | 40.5 | 104.3 | 45.0 | 67.0 | 112.0 | 7.7 |
| Ordinary income | 118.2 | 62.1 | 45.4 | 107.6 | 46.0 | 69.0 | 115.0 | 7.4 |
| Net income | 60.3 | 38.2 | 17.6 | 55.8 | 25.5 | 41.0 | 66.5 | 10.7 |

¹ Naphtha resale amount is deducted from net sales due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.)

| | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|-------|
| Naphtha price (¥/kL, domestic) | 47,475 | 56,950 | 52,900 | 54,925 | 62,000 | 62,000 | 62,000 | 7,075 |
| ¥/US\$ exchange rate (market average) | 86 | 80 | 78 | 79 | 80 | 80 | 80 | 1 |

| | FY 2010 | FY 2011 | FY 2012 |
|---------------------|------------|------------|------------------|
| Dividends per share | ¥11 | ¥14 | ¥14 (planned) |
| Payout ratio | 25.5% | 35.1% | 29.4% |

Sales¹ forecast by segment

Asahi**KASEI**

(¥ billion)

| | FY 2011 | | | FY 2012 forecast | | | Increase (decrease) |
|----------------------------|---------|-------|---------|------------------|-------|---------|------------------------|
| | H1 | H2 | Total | H1 | H2 | Total | |
| Chemicals | 360.1 | 320.0 | 680.1 | 385.0 | 397.0 | 782.0 | 101.9 |
| Homes | 200.0 | 252.0 | 452.0 | 213.0 | 269.0 | 482.0 | 30.0 |
| Health Care | 60.0 | 59.5 | 119.5 | 62.0 | 69.0 | 131.0 | 11.5 |
| Fibers | 56.1 | 54.7 | 110.8 | 55.0 | 57.0 | 112.0 | 1.2 |
| Electronics | 77.5 | 68.6 | 146.1 | 74.0 | 78.0 | 152.0 | 5.9 |
| Construction Materials | 22.2 | 23.9 | 46.1 | 26.0 | 27.0 | 53.0 | 6.9 |
| Critical Care ² | – | – | – | 23.0 | 26.0 | 49.0 | 49.0 |
| Others | 8.5 | 10.1 | 18.6 | 9.0 | 11.0 | 20.0 | 1.4 |
| Consolidated | 784.4 | 788.8 | 1,573.2 | 847.0 | 934.0 | 1,781.0 | 207.8 |

¹ Naphtha resale amount is deducted from net sales in Chemicals due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011. (Naphtha resale amount ¥39.7 billion for FY 2011.)

² Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

Operating income forecast by segment

Asahi**KASEI**

(¥ billion)

| | FY 2011 | | | FY 2012 forecast | | | Increase (decrease) |
|--|---------|-------|-------|------------------|-------|--------|------------------------|
| | H1 | H2 | Total | H1 | H2 | Total | |
| Chemicals | 34.1 | 10.4 | 44.5 | 22.0 | 24.0 | 46.0 | 1.5 |
| Homes | 17.9 | 28.4 | 46.3 | 18.0 | 32.0 | 50.0 | 3.7 |
| Health Care | 5.6 | 3.2 | 8.8 | 4.5 | 8.0 | 12.5 | 3.7 |
| Fibers | 2.1 | 1.0 | 3.1 | 2.0 | 2.5 | 4.5 | 1.4 |
| Electronics | 7.0 | (0.6) | 6.4 | 3.5 | 7.0 | 10.5 | 4.1 |
| Construction Materials | 0.8 | 1.1 | 1.8 | 1.5 | 1.5 | 3.0 | 1.2 |
| Critical Care ¹ | – | – | – | (1.5) | (2.5) | (4.0) | (4.0) |
| Others | 1.2 | 1.8 | 3.0 | 1.0 | 1.0 | 2.0 | (1.0) |
| Corporate expenses and eliminations | (5.0) | (4.8) | (9.7) | (6.0) | (6.5) | (12.5) | (2.8) |
| Consolidated | 63.8 | 40.5 | 104.3 | 45.0 | 67.0 | 112.0 | 7.7 |

¹ Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

Forecast by segment

AsahiKASEI

(¥ billion)

| Segment | | FY 11 | FY 12 forecast | Outlook |
|----------------------------|------------------|-------|-------------------|--|
| Chemicals | Sales | 680.1 | 782.0 | Deterioration of terms of trade due to higher feedstock costs. Increase in shipments, especially of chemicals and derivative products. Sales and operating income increase in Chemicals overall. |
| | Operating income | 44.5 | 46.0 | |
| Homes | Sales | 452.0 | 482.0 | Increased deliveries of order-built homes with a rise in orders. Sales and operating income increase. |
| | Operating income | 46.3 | 50.0 | |
| Health Care | Sales | 119.5 | 131.0 | Pharmaceuticals: Higher R&D expenditures. Increased sales volume of Teribone™ osteoporosis drug and Recomodulin™ recombinant thrombomodulin. Devices: Increased shipments of APS™ artificial kidneys. Sales and operating income increase in Health Care overall. |
| | Operating income | 8.8 | 12.5 | |
| Fibers | Sales | 110.8 | 112.0 | Increased shipments of Bemberg™ regenerated cellulose, spunbond, and Leona™ nylon 66 filament. Sales and operating income increase. |
| | Operating income | 3.1 | 4.5 | |
| Electronics | Sales | 146.1 | 152.0 | Electronic devices: Increased shipments of LSIs for smartphones and other portable devices. Decrease in depreciation. Electronic materials: Increased shipments of Hipore™ Li-ion battery separator and other products with recovering demand. Sales and operating income increase in Electronics overall. |
| | Operating income | 6.4 | 10.5 | |
| Construction Materials | Sales | 46.1 | 53.0 | Increased shipments of Hebel™ autoclaved aerated concrete as well as foundation systems and insulation materials. Sales and operating income increase. |
| | Operating income | 1.8 | 3.0 | |
| Critical Care ¹ | Sales | — | 49.0 | Sales contribution due to inclusion of ZOLL Medical Corp. as a consolidated subsidiary. Operating loss mainly due to amortization of goodwill. |
| | Operating income | — | (4.0) | |

¹ Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

Appendix

Quarterly sales¹ by segment

AsahiKASEI

(¥ billion)

| | FY 2010 | | | | FY 2011 | | | | FY 2012 | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | H1 forecast | H2 forecast |
| Chemicals | 165.0 | 180.4 | 173.7 | 180.8 | 177.9 | 182.2 | 165.6 | 154.5 | 385.0 | 397.0 |
| Homes | 64.5 | 109.0 | 90.5 | 145.2 | 79.2 | 120.8 | 109.0 | 143.0 | 213.0 | 269.0 |
| Health Care | 28.7 | 29.0 | 30.5 | 28.1 | 29.4 | 30.6 | 30.7 | 28.8 | 62.0 | 69.0 |
| Fibers | 26.5 | 28.1 | 27.1 | 27.1 | 27.7 | 28.4 | 27.2 | 27.5 | 55.0 | 57.0 |
| Electronics | 40.9 | 42.2 | 38.4 | 36.7 | 39.8 | 37.8 | 35.6 | 32.9 | 74.0 | 78.0 |
| Construction Materials | 11.0 | 12.4 | 13.7 | 10.3 | 10.1 | 12.2 | 12.8 | 11.1 | 26.0 | 27.0 |
| Critical Care ² | – | – | – | – | – | – | – | – | 23.0 | 26.0 |
| Others | 3.5 | 3.9 | 3.7 | 4.9 | 4.0 | 4.5 | 4.4 | 5.7 | 9.0 | 11.0 |
| Total | 340.1 | 405.1 | 377.7 | 433.0 | 368.0 | 416.5 | 385.3 | 403.5 | 847.0 | 934.0 |

Naphtha resale amount
deducted from net sales

| | | | | | | | |
|------|-----|------|-----|-----|-----|------|-----|
| 13.4 | 6.2 | 16.2 | 6.6 | 8.2 | 9.6 | 16.4 | 5.6 |
|------|-----|------|-----|-----|-----|------|-----|

¹ Naphtha resale amount is deducted from net sales in Chemicals due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010.

² Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

Quarterly operating income by segment **AsahiKASEI**

(¥ billion)

| | FY 2010 | | | | FY 2011 | | | | FY 2012 | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|----------------|
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | H1 forecast | H2 forecast |
| Chemicals | 15.3 | 22.0 | 16.6 | 10.5 | 19.4 | 14.7 | 9.2 | 1.2 | 22.0 | 24.0 |
| Homes | (0.9) | 11.0 | 7.9 | 18.5 | 3.6 | 14.2 | 10.9 | 17.5 | 18.0 | 32.0 |
| Health Care | 3.3 | 0.8 | 3.5 | (0.6) | 2.6 | 3.0 | 3.7 | (0.6) | 4.5 | 8.0 |
| Fibers | 1.2 | 1.1 | 1.3 | 0.6 | 1.4 | 0.7 | 0.5 | 0.5 | 2.0 | 2.5 |
| Electronics | 5.2 | 5.5 | 3.2 | 0.4 | 4.8 | 2.2 | (0.5) | (0.2) | 3.5 | 7.0 |
| Construction Materials | 0.3 | 0.8 | 1.3 | (0.3) | 0.2 | 0.5 | 0.9 | 0.1 | 1.5 | 1.5 |
| Critical Care ¹ | – | – | – | – | – | – | – | – | (1.5) | (2.5) |
| Others | 0.3 | 0.5 | 0.2 | 0.7 | 0.4 | 0.8 | 0.9 | 0.9 | 1.0 | 1.0 |
| Corporate expenses and eliminations | (2.0) | (1.0) | (2.8) | (1.4) | (2.2) | (2.7) | (2.5) | (2.3) | (6.0) | (6.5) |
| Total | 22.8 | 40.7 | 31.0 | 28.4 | 30.2 | 33.5 | 23.3 | 17.2 | 45.0 | 67.0 |

¹ Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

Primary investments by segment

AsahiKASEI

(¥ billion)

| | Capital expenditures | | | Depreciation and amortization | | | R&D expenditures | | |
|--|----------------------|-------------|------------------|-------------------------------|-------------|------------------|------------------|-------------|------------------|
| | FY 2010 | FY 2011 | FY 2012 forecast | FY 2010 | FY 2011 | FY 2012 forecast | FY 2010 | FY 2011 | FY 2012 forecast |
| Chemicals | 23.2 | 39.1 | 50.0 | 31.9 | 29.6 | | 15.5 | 16.2 | |
| Homes | 6.3 | 6.3 | 5.0 | 4.3 | 4.8 | | 2.0 | 2.1 | |
| Health Care | 7.4 | 10.7 | 11.0 | 11.4 | 11.5 | | 16.5 | 17.5 | |
| Fibers | 3.7 | 5.7 | 11.0 | 7.0 | 6.4 | | 3.2 | 2.8 | |
| Electronics | 20.3 | 13.4 | 20.0 | 23.9 | 21.0 | | 18.4 | 19.2 | |
| Construction Materials | 1.7 | 1.6 | 1.5 | 2.8 | 2.4 | | 1.1 | 1.1 | |
| Critical Care ¹ | – | – | 3.0 | – | – | | – | – | |
| Others | 1.0 | 0.8 | 1.5 | 0.9 | 0.9 | | 0.3 | 0.2 | |
| Corporate expenses, assets, and eliminations | 2.5 | 7.6 | 2.0 | 3.0 | 2.9 | | 5.4 | 7.1 | |
| Total | 66.0 | 85.1 | 105.0 | 85.2 | 79.6 | 90.0 | 62.3 | 66.3 | 75.0 |

¹ Critical Care is added as a new operating segment in FY 2012, in which operations of ZOLL Medical Corp. are reported.

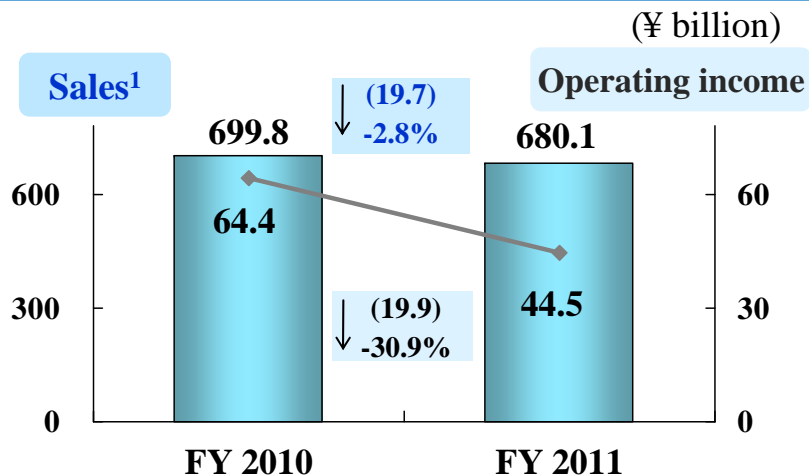
Completed in FY 2011

- Hipore™ Li-ion battery separator – two capacity increases in Hyuga: 20 million m²/y and 15 million m²/y.*
- New R&D facility for medical materials in Nobeoka, Jun. 2011.
- Leona™ polyamide 66 resin – plant modification for mass production of high-melting-point grades in Nobeoka, Mar. 2012.

Under construction at FY 2011 year-end

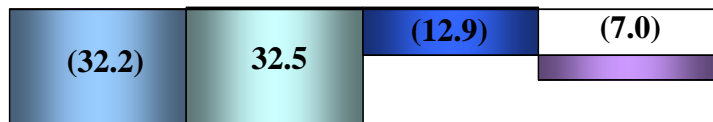
- New power generation facility using wood biomass fuel in Nobeoka, Jul. 2012.*
- Spunbond – new 20,000 ton/y plant in Thailand, Sep. 2012.*
- Acrylonitrile – 245,000 ton/y capacity increase in Korea, Jan. 2013.*
- Hipore™ Li-ion battery separator – 50 million m²/y capacity increase in Hyuga, Mar. 2013.*
- Solution-SBR – new 50,000 ton/y plant in Singapore, May 2013.*

* Investment of ¥3 billion or more.



¹ Naphtha resale amount is deducted from net sales due to an accounting policy change adopted in Q4 of FY 2011, which is applied retroactively for the full FY 2011 and FY 2010. (Naphtha resale amount ¥42.4 billion for FY 2010 and ¥39.7 billion for FY 2011.)

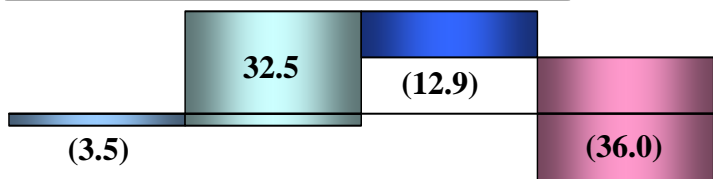
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Review of operations

Volume products:

Chemicals and derivative products

Decline in market demand in China and other Asian countries in the second half. Significant deterioration of terms of trade for monomer products such as acrylonitrile and adipic acid due to high prices for naphtha and other feedstocks, and the strong yen. Sales and operating income decrease.

Polymer products

Recovery of shipments of engineering plastics in the second half after a downturn following the Great East Japan Earthquake.

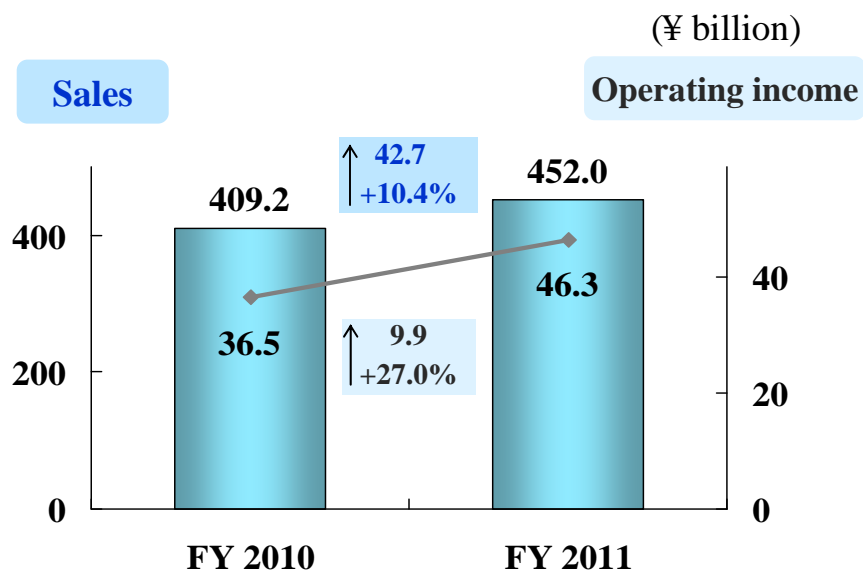
Good performance in synthetic rubber for tires. Sales and operating income increase.

Specialty products:

Decline in sales of chlor-alkali plants. Good performance in home-use products such as Saran Wrap™ and in functional additives. Sales and operating income increase.

Highlights

- April, decision to establish joint venture with Saudi Basic Industries Corp. and Mitsubishi Corp. to study an acrylonitrile project in Saudi Arabia.
- November, decision to construct Kawasaki Innovation Center for R&D; start of utilization in September 2012.
- December, decision to construct second solution-SBR plant in Singapore.
- February, launch of Frosch® dishwashing detergent with exclusive sales rights in Japan from Werner & Mertz GmbH of Germany.
- February, decision to construct new acetonitrile plant in Korea.



Results by product category¹

(¥ billion)

| | FY 2010 | | FY 2011 | | Increase (decrease) | |
|-------------------|--------------|------------------|--------------|------------------|---------------------|------------------|
| | Sales | Operating income | Sales | Operating income | Sales | Operating income |
| Order-built homes | 302.1 | | 339.6 | | 37.5 | |
| Pre-built homes | 27.8 | | 23.7 | | (4.1) | |
| Housing-related | 79.3 | | 88.7 | | 9.3 | |
| Total | 409.2 | 36.5 | 452.0 | 46.3 | 42.7 | 9.9 |

¹ Product category division unaudited.

Review of operations

Order-built homes:

- Increased deliveries of both Hebel Haus™ unit homes and Hebel Maison™ apartment buildings. Sales and Operating income increase.
- Effect of government policy to support home purchases. Value of new orders increasing 4.9% from a year ago.

Pre-built homes:

Decline in number of new condominium projects completed. Sales decrease.

Housing-related operations:

Good performance in real-estate rental operations. Steady expansion in remodeling operations. Sales and operating income increase.

Highlights

- April, launch of Hebel Haus™ Soranoma Plus featuring semi-outdoor space integrated with second-story living room.
- June, launch of Hebel Maison™ apartment buildings with features for living with pets.
- October, integration of real estate—related business and start of operation of Asahi Kasei Fudousan Residence Corp.
- November, launch of Hebel Haus™ with a third-floor patio for family gathering.
- January, launch of remodeling product providing innovative proposals to reconfigure previously sold two-generation Hebel Haus™ homes.

Homes (i)

Sales and order trends

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

| | | Value of new orders during the term | Sales of order-built | 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.

Homes (ii)

Breakdown of FY 2011 sales and orders

(% change from previous year)

| | | Net sales | | Number of units sold | | Orders received | | | |
|--|-----------|-------------|------------|----------------------|------------|-----------------|------------|---------|------------|
| | | (¥ billion) | (% change) | (units) | (% change) | (¥ billion) | (% change) | (units) | (% change) |
| Unit homes ¹ | 1-2 story | 207.5 | +9.1% | 6,877 | +11.8% | 216.3 | +3.3% | 7,303 | +3.8% |
| | 3+ story | 76.5 | +20.1% | 2,908 | +14.6% | 88.0 | +3.9% | 3,489 | +3.6% |
| | Total | 284.0 | +11.9% | 9,785 | +12.6% | 304.3 | +3.4% | 10,792 | +3.7% |
| Multi-dwelling homes | 1-2 story | 19.5 | +24.7% | 1,638 | +15.3% | 24.4 | +16.0% | 1,944 | +6.3% |
| | 3+ story | 36.1 | +10.7% | 3,066 | +6.2% | 43.2 | +10.1% | 3,495 | +4.1% |
| | Total | 55.6 | +15.3% | 4,704 | +9.2% | 67.6 | +12.1% | 5,439 | +4.9% |
| Order-built homes total | | 339.6 | +12.4% | 14,489 | +11.5% | 371.9 | +4.9% | 16,231 | +4.1% |
| Pre-built homes ² (including condominiums) | | 23.7 | -14.7% | 384 | +0.5% | - | - | - | - |
| Housing-related operations and others | | 88.7 | +11.8% | - | - | - | - | - | - |
| Consolidated | | 452.0 | +10.4% | 14,873 | +11.2% | 371.9 | +4.9% | 16,231 | +4.1% |

¹ Unit homes classifications were revised in FY 2011, resulting in a portion of products reclassified from “3+ story” to “1-2 story”. Calculation of % change is based on figures for the same period of the previous year revised accordingly.

² From H2 2011, sales of pre-built homes businesses 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).

Homes (iii)

Breakdown of sales and orders forecast for FY 2012

(% change from previous year)

| | | Net sales | | Number of units sold | | Orders received | | | |
|--|-----------|-------------|------------|----------------------|------------|-----------------|------------|---------|------------|
| | | (¥ billion) | (% change) | (units) | (% change) | (¥ billion) | (% change) | (units) | (% change) |
| Unit homes ¹ | 1-2 story | 211.8 | +2.1% | 7,020 | +2.1% | 227.7 | +5.3% | 7,680 | +5.2% |
| | 3+ story | 82.2 | +7.5% | 3,160 | +8.6% | 92.8 | +5.5% | 3,680 | +5.5% |
| | Total | 294.0 | +3.5% | 10,180 | +4.0% | 320.5 | +5.3% | 11,360 | +5.3% |
| Multi-dwelling homes | 1-2 story | 22.6 | +15.7% | 1,870 | +14.1% | 25.5 | +4.4% | 2,040 | +4.9% |
| | 3+ story | 38.5 | +6.6% | 3,150 | +2.8% | 46.0 | +6.5% | 3,730 | +6.7% |
| | Total | 61.0 | +9.8% | 5,020 | +6.7% | 71.5 | +5.8% | 5,770 | +6.1% |
| Order-built homes total | | 355.0 | +4.5% | 15,200 | +4.9% | 392.0 | +5.4% | 17,130 | +5.5% |
| Pre-built homes ² (including condominiums) | | 27.0 | +14.1% | 550 | +43.2% | - | - | - | - |
| Housing-related operations and others | | 100.0 | +12.7% | - | - | - | - | - | - |
| Consolidated | | 482.0 | +6.6% | 15,750 | +5.9% | 392.0 | +5.4% | 17,130 | +5.5% |

¹ Unit homes classifications were revised in FY 2011, resulting in a portion of products reclassified from “3+ story” to “1-2 story”. Calculation of % change is based on figures for the same period of the previous year revised accordingly.

² From H2 2011, sales of pre-built homes businesses 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).

Performance of main subsidiaries

(¥ billion)

| | FY 2010 | | FY 2011 | |
|---|---------|------------------|---------|------------------|
| | Sales | Operating income | Sales | Operating income |
| Asahi Kasei Reform | 34.5 | 3.7 | 38.5 | 4.9 |
| Asahi Kasei Fudousan Residence ¹ | 40.4 | 1.5 | 53.4 | 2.5 |

¹ Asahi Kasei Real Estate in FY 2010 and H1 2011

Asahi Kasei Reform (remodeling business)

FY 2011

Increased orders for work such as solar panel installation. Sales and operating income increase.

FY 2012 forecast

Higher payroll cost due to increased headcount. Increased orders for solar panel installation work and large-scale remodeling. Sales and operating income increase.

Asahi Kasei Fudousan Residence (real estate-related business)

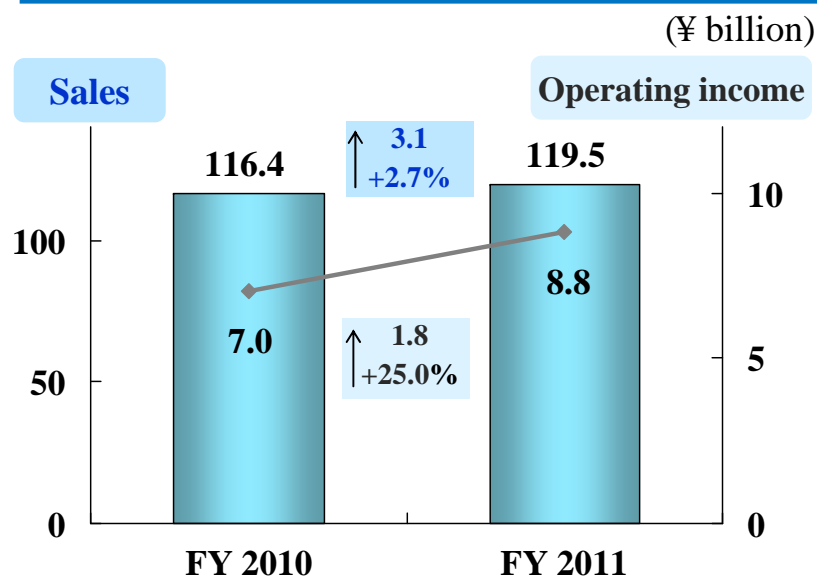
Asahi Kasei Real Estate, Ltd. was renamed Asahi Kasei Fudousan Residence Corp. on Oct. 1, 2011, with transfer of housing development business from Asahi Kasei Homes Corp. for integrated operation of real estate-related business.

FY 2011

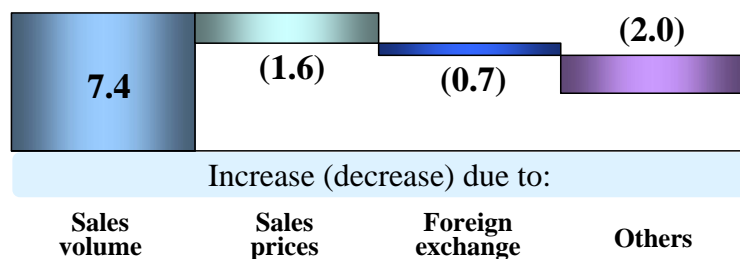
Favorable performance in rental operations. Number of rental units under rent guarantee rose to 43,400 units with increased deliveries of homes for rent in order-built homes operations. Sales and operating income increase.

FY 2012 forecast

Higher payroll cost due to increased headcount. Increase in number of home rental units. Sales and operating income increase.



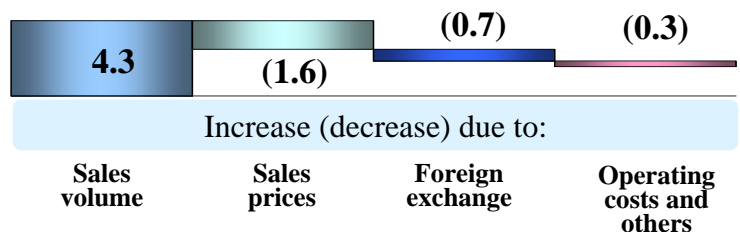
Sales increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Others

Operating income increases/decreases



Increase (decrease) due to:

Sales volume Sales prices Foreign exchange Operating costs and others

Review of operations

Pharmaceuticals: Higher SG&A with an increase in medical representatives. Higher R&D expenses. Growing sales of Recomedulin™ recombinant thrombomodulin. Contribution from Nov. 2011 launch of sales of new osteoporosis drug Teribone™. Sales and operating income increase.

Devices: Impact of the strong yen. Increased shipments of Planova™ virus removal filters. Sales increase, but operating income unchanged.

Highlights

- April, Dong-A Pharmaceutical Co., Ltd., Asahi Kasei Pharma's licensing partner in Korea, obtained approval for the sale of Flivas™ in Korea as an agent for the treatment of benign prostatic hyperplasia; launch in January 2012.
- August, judgment of the court of first instance in litigation with Actelion Ltd. of Switzerland, ordering the defendants to pay US\$516.6 million to Asahi Kasei Pharma. November, amendment of judgement of the court of first instance reducing the damages to US\$415.7 million.
- September, approval for manufacture and sale of Teribone™ in Japan; launch in November with NHI price listing.
- October, decision to construct new research complex for pharmaceuticals; start of utilization in October 2013.
- November, acquisition of all shares of Artisan Pharma, Inc., US company performing overseas clinical trials for ART-123 (marketed as Recomedulin™ in Japan) for the treatment of DIC in sepsis.
- January, application for approval of Famvir® anti-herpes agent for additional indication of herpes simplex.
- February, initiation of Phase IIa Clinical Trial for Glaucoma Drug Candidate ATS907 in the US by Altheos, Inc., Asahi Kasei Pharma's licensing partner.
- March, start of clinical trials for a microprojection patch formulation of Teribone™ osteoporosis drug, using technology from Zosano Pharma, Inc. of the US.
- April 2012, integration of Asahi Kasei Kuraray Medical and Asahi Kasei Medical.

Sales of Health Care segment

(¥ billion)

| | | FY 2010 | | | FY 2011 | | |
|---------------------------------|----------------------|-------------|-------------|--------------|-------------|-------------|--------------|
| | | H1 | H2 | Total | H1 | H2 | Total |
| Asahi Kasei Pharma consolidated | Pharmaceuticals | 26.9 | 28.6 | 55.4 | 28.5 | 29.8 | 58.3 |
| | Others | 3.6 | 2.2 | 5.8 | 2.5 | 1.5 | 4.0 |
| | Devices ¹ | 27.3 | 27.9 | 55.1 | 29.0 | 28.2 | 57.2 |
| | Total | 57.8 | 58.6 | 116.4 | 60.0 | 59.5 | 119.5 |

¹Asahi Kasei Kuraray Medical, Asahi Kasei Medical, and their affiliate companies.

Main pharmaceuticals domestic sales

(¥ billion)

| | FY 2010 | | | FY 2011 | | |
|--------------|---------|-----|-------|---------|-----|-------|
| | H1 | H2 | Total | H1 | H2 | Total |
| Flivas™ | 6.8 | 7.1 | 13.9 | 6.9 | 7.3 | 14.2 |
| Elcitonin™ | 6.9 | 6.5 | 13.4 | 6.7 | 5.7 | 12.4 |
| Recomodulin™ | 1.6 | 2.6 | 4.2 | 3.4 | 3.9 | 7.3 |
| Bredinin™ | 3.3 | 3.2 | 6.5 | 3.2 | 3.2 | 6.4 |
| Toledomin™ | 1.9 | 1.6 | 3.5 | 1.5 | 1.3 | 2.8 |
| Teribone™ | – | – | – | – | 2.2 | 2.2 |
| Eril™ | 0.7 | 0.7 | 1.4 | 0.6 | 0.7 | 1.3 |

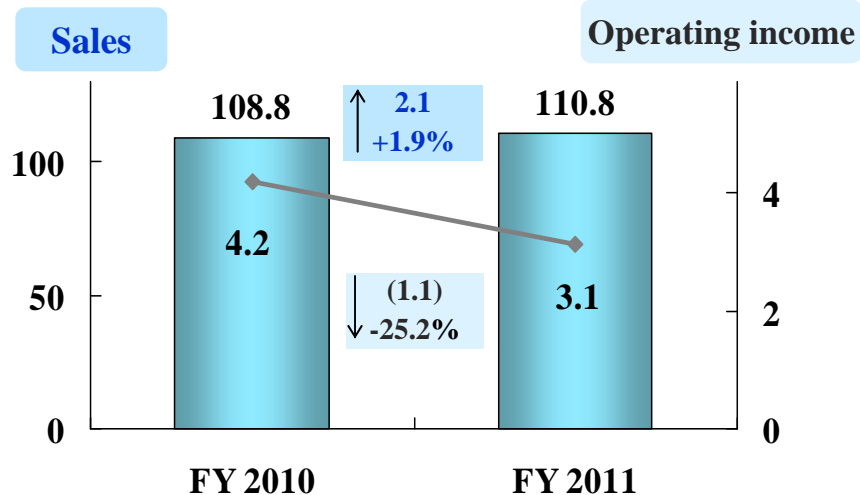
Overview of main products

| | Generic name | Mechanism/ substance class | Indication | Formulation |
|----------------------------------|----------------------------------|---|---|-------------|
| Flivas™ | Naftopidil | Selective α -1 blocker | Benign prostatic hypertrophy | Tablet |
| Elcitonin™ | Elcatonin | Eel calcitonin derivative | Osteoporosis pain | Injection |
| Recomodulin™ | Recombinant thrombomodulin alpha | Anticoagulant | Disseminated intravascular coagulation | Injection |
| Bredinin™ | Mizoribine | Immunosuppressant | Kidney transplantation, lupus nephritis, nephrosis syndrome, rheumatoid arthritis | Tablet |
| Toledomin™ | Milnacipran hydrochloride | SNRI | Depression | Tablet |
| Teribone™ | Teriparatide acetate | Synthetic human parathyroid hormone (PTH) | Osteoporosis with high risk of fracture | Injection |
| Eril™ | Fasudil hydrochloride hydrate | Rho-kinase inhibitor | Cerebral vasospasm after subarachnoid hemorrhage surgery | Injection |
| Famvir® Distributed by Maruho | Famciclovir | Antiviral | Shingles (zoster) | Tablet |

Pharmaceutical 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 |

(¥ billion)

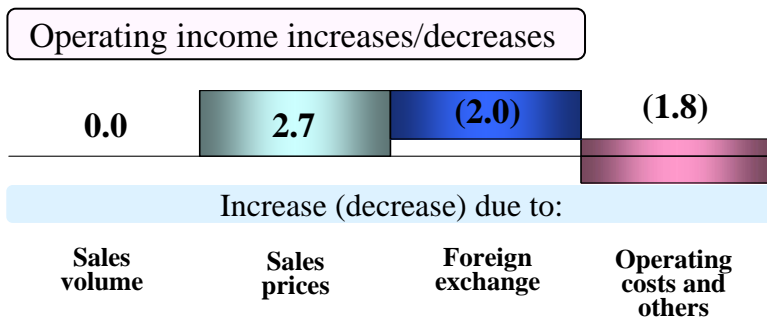
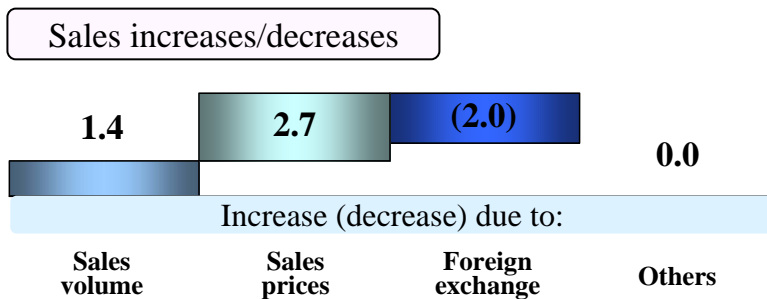


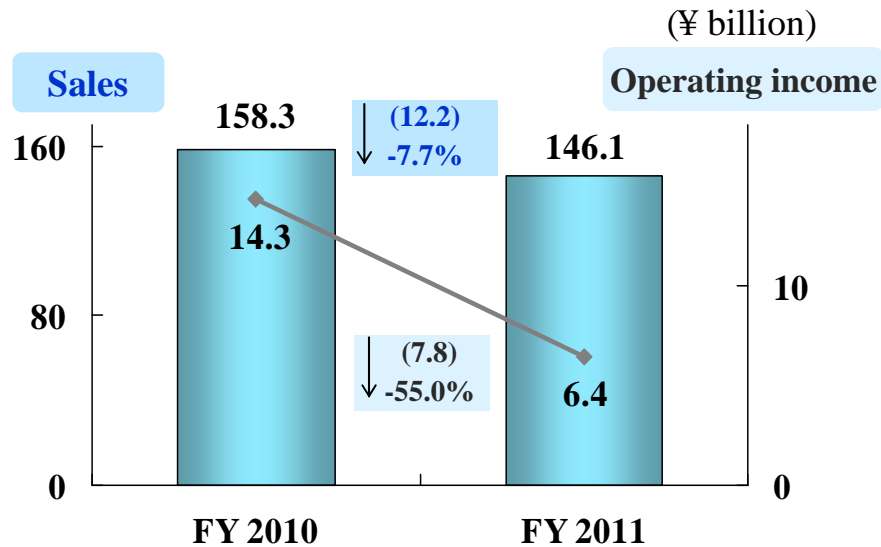
Review of operations

Increased shipments of spunbond in diaper applications and Leona™ nylon 66 filament in airbag applications. Good performance in Bemberg™ regenerated cellulose. Impact of the strong yen and high feedstock costs. Sales increase, but operating income decrease.

Highlights

- November, development of new high-function elastic material which generates heat when stretched. Achieved through combination of high-function Roica™ spandex filament with advanced knitting technology.
- March, award ceremony for the *Asahi Kasei Award for Fashion Design Creativity in China* together with a fashion show.





Review of operations

Electronic devices:

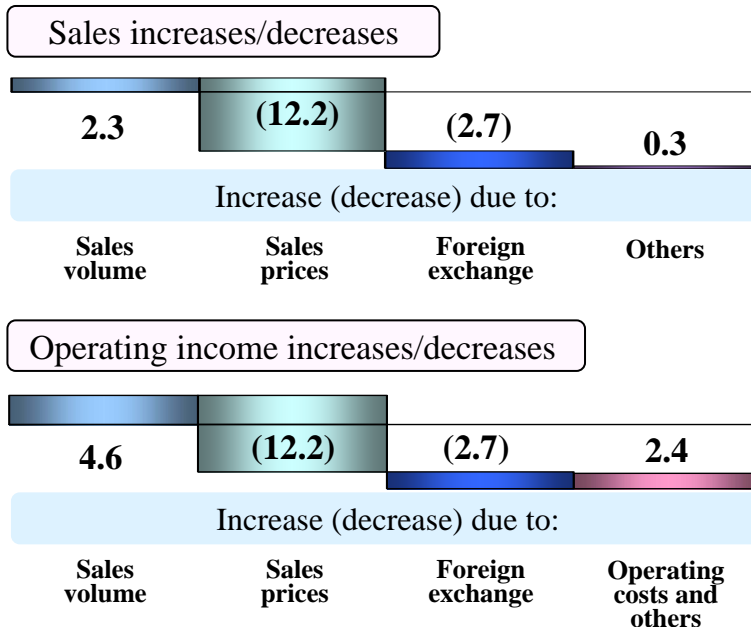
Firm sales of mixed-signal LSIs for smartphones, but sluggish growth in shipment volumes of other products with general deterioration in the operating climate. Impact of decline in product prices and the strong yen. Sales and operating income decrease.

Electronic materials:

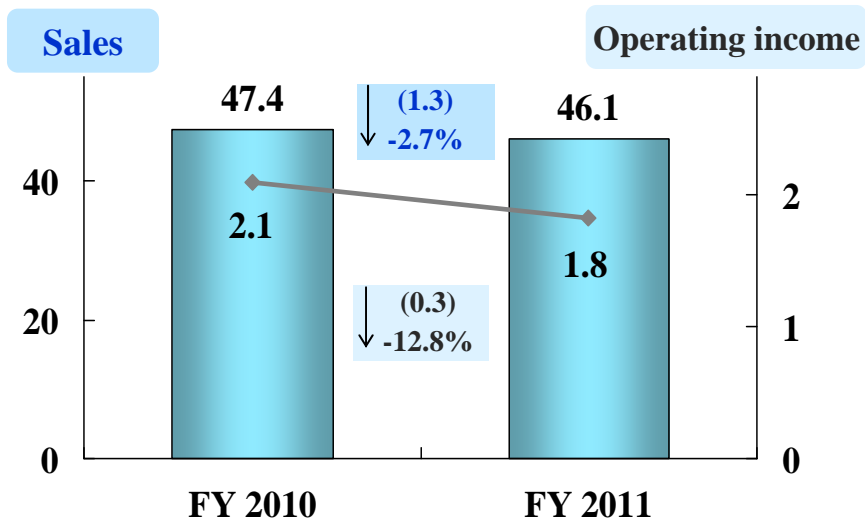
Increased sales of Hipore™ Li-ion battery separator. Impact of decline in product prices and high feedstock costs. Sales and operating income decrease.

Highlights

- January, launch of new 6-axis electronic compass for portable appliances; integrating an accelerometer from Analog Devices, Inc. of the US and reducing size by over 25% from previous equivalent product.
- April 2012, decision to consolidate manufacturing facilities as part of a reinforcement of the operating structure of its power management semiconductor business.



(¥ billion)



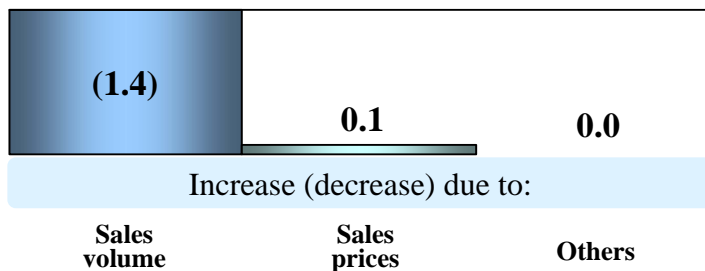
Review of operations

Recovering shipment volumes and product prices of Hebel™ autoclaved aerated concrete panels. Sluggish performance in foundation systems. Impact of expiration of government policy such as the eco-point program to support energy conservation in insulation materials. Sales and operating income decrease.

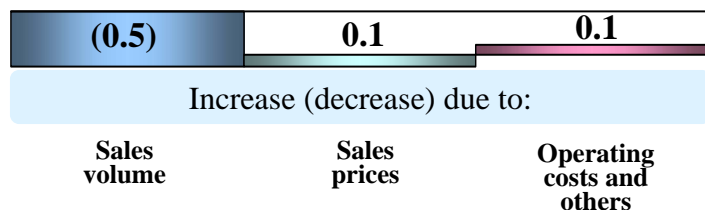
Highlights

- April 2012, launch of Fablux™ DS beam-column joint to connect columns of different thickness in steel frame buildings.
- April 2012, decision to expand capacity for Neoma™ high-performance phenolic foam insulation panels.

Sales increases/decreases



Operating income increases/decreases



Statements of comprehensive income

Asahi**KASEI**

| (¥ billion) | | | |
|---|---------|---------|------------------------|
| | FY 2010 | FY 2011 | increase (decrease) |
| a: Income before minority interests | 61.7 | 56.9 | (4.8) |
| Valuation difference on available-for-sale securities | (7.1) | 10.6 | 17.6 |
| Deferred gains or losses on hedges | (0.0) | (1.6) | (1.6) |
| Foreign currency translation adjustment | (7.1) | (1.0) | 6.1 |
| Share of other comprehensive income of associates accounted for using equity method | (2.4) | (2.3) | 0.1 |
| b: Other comprehensive income | (16.6) | 5.7 | 22.3 |
| Comprehensive income[a+b] | 45.1 | 62.6 | 17.5 |

(Comprehensive income attributable to)

| | | | |
|---|------|------|-------|
| Comprehensive income attributable to owners of the parent | 44.0 | 61.6 | 17.6 |
| Comprehensive income attributable to minority interests | 1.0 | 1.0 | (0.1) |