



**Fiscal 2021 2nd Quarter
Financial Results
– supplementary financial summary –**

November 5, 2021

Asahi Kasei Corporation

Focus of H1 2021 results and FY 2021 forecast

H1 2021 results

- Net sales, operating income, ordinary income, and net income all at new record highs for H1
- Recovery in Material; Health Care overcoming decline in ventilator shipments to maintain previous year's level

FY 2021 forecast

- Net sales, operating income, ordinary income, and net income all forecasted to reach new record highs
- Full-year forecast upward revised with strong H1 performance
- H2 expected to generally track initial forecast, but increasing uncertainty in the operating climate

Shareholder returns

- Interim dividend of ¥17 per share, full-year dividend forecast of ¥34 per share
- Cumulative payout ratio of 38.3% forecasted for FY 2019–2021 period
- No change in basic policy for stable and continually increased dividends while making determination in consideration of full-year results

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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. Consolidated results for 1st half fiscal year 2021

Summary of financial results

- Considerable increase in net sales and operating income compared to year-ago period significantly impacted by COVID-19
- Results largely in line with previous forecast, but higher net income with partial booking in H1 of income tax reduction forecasted for H2 from reconfiguration of Veloxis organizations

(¥ billion, unless otherwise specified)

	H1 2020	H1 2021 ¹	Increase (decrease)	% change	H1 2021 forecast in Aug. ¹	Increase (decrease)	% change
	a	b	b-a		c	b-c	
Net sales	989.4	1,181.0	191.7	+19.4%	1,198.0	(16.9)	-1.4%
Operating income	76.8	113.1	36.4	+47.4%	106.0	7.1	+6.7%
Ordinary income	77.5	119.2	41.8	+53.9%	110.0	9.2	+8.4%
Net income attributable to owners of the parent	46.8	91.3	44.5	+95.1%	72.0	19.3	+26.8%
¥/US\$ exchange rate (market average)	107	110	3		110	0	
¥/€ exchange rate (market average)	121	131	10		131	(0)	
Net income per share (EPS) (¥)	33.72	65.79					
Dividends per share (¥)	17	17					

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

Sales and operating income by segment (vs. H1 2020)

- Significant increase in net sales and operating income in Material with recovery of demand; exceeding results of H1 2019 prior to COVID-19

Net sales (¥ billion)

	H1 2019	H1 2020 a	H1 2021 ¹ b	Increase (decrease) b-a	% change
Material	560.2	438.4	570.3	131.9	+30.1%
Homes ²	333.4	338.7	398.1	59.4	+17.5%
Health Care ³	167.6	204.9	205.9	1.0	+0.5%
Others	7.4	7.5	6.7	(0.7)	-9.7%
Consolidated	1,068.6	989.4	1,181.0	191.7	+19.4%

Operating income

Material	56.9	20.8	60.7	39.8	+191.2%
Homes ²	32.7	31.7	33.3	1.6	+5.2%
Health Care ³	25.9	35.4	34.3	(1.1)	-3.1%
Others	1.1	1.7	1.4	(0.3)	-19.8%
Corporate expenses and eliminations	(14.9)	(12.9)	(16.5)	(3.7)	–
Consolidated	101.7	76.8	113.1	36.4	+47.4%

Material

Increased shipments with recovery of automobile-related markets, rapid rise in petrochemical market prices with recovery of demand; considerably increased sales and income

Homes

Deliveries in condominium business decreasing from year-ago period with strong performance, strong performance in U.S. business, consolidation of Australia business; increased sales and income

Health Care

Ventilator shipments decreasing from year-ago period with surge in demand, but strong performance of mainstay businesses in Critical Care such as defibrillators, firm performance of pharmaceuticals and medical devices; sales and income maintained on year-ago level

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes segment from Q1 2021.

³ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care segment from Q1 2020.

Sales and operating income by segment (vs. forecast in August) AsahiKASEI

➤ Net sales generally on track but operating income improving with curtailment and deferment of fixed costs

Net sales (¥ billion)

	H1 2021 forecast in Aug.	H1 2021 Results	Increase (decrease)	% change
Material	585.0	570.3	(14.7)	-2.5%
Homes	400.0	398.1	(1.9)	-0.5%
Health Care	206.0	205.9	(0.1)	-0.1%
Others	7.0	6.7	(0.3)	-4.3%
Consolidated	1,198.0	1,181.0	(16.9)	-1.4%

Operating income

Material	59.0	60.7	1.7	+2.8%
Homes	31.0	33.3	2.3	+7.5%
Health Care	32.0	34.3	2.3	+7.2%
Others	1.0	1.4	0.4	+37.9%
Corporate expenses and eliminations	(17.0)	(16.5)	0.5	–
Consolidated	106.0	113.1	7.1	+6.7%

Material

Net sales slightly below previous forecast with greater-than-expected impact of decreased automobile production due to semiconductor shortage, but smaller-than-expected decline in market prices for acrylonitrile and other petrochemical products; operating income even with previous forecast

Homes

Performance generally in line with previous forecast; operating income slightly above previous forecast with continuing firm performance of U.S. business

Health Care

Performance generally in line with previous forecast; operating income slightly above previous forecast with some SG&A deferred to H2

Statements of income

- SG&A: Effect of newly consolidated companies such as McDonald Jones, increased expenses for logistics and R&D
- Non-operating income/expense: Improvement of equity in earnings of affiliates with improved performance at PTT Asahi Chemical Company Limited
- Extraordinary income/loss¹: Gain on sales of investment securities due to sales of strategic shareholdings, recording of business structure improvement expenses related to semiconductor plant fire
- Income taxes: Taxes reduced by approximately ¥8 billion with reconfiguration of Veloxis organizations

(¥ billion)

	H1 2020		H1 2021 ²		Increase (decrease)	% change
		% of sales		% of sales		
Net sales	989.4	100.0%	1,181.0	100.0%	191.7	+19.4%
Cost of sales	666.7	67.4%	795.0	67.3%	128.3	+19.2%
Gross profit	322.7	32.6%	386.0	32.7%	63.4	+19.6%
Selling, general and administrative expenses	245.9	24.9%	272.9	23.1%	27.0	+11.0%
Operating income	76.8	7.8%	113.1	9.6%	36.4	+47.4%
Net non-operating income (expenses)	0.7		6.1		5.4	
of which, net equity in earnings (losses) of affiliates	0.2		5.0		4.9	
Ordinary income	77.5	7.8%	119.2	10.1%	41.8	+53.9%
Net extraordinary income (loss)	(6.0)		(0.0)		6.0	
Income before income taxes	71.4	7.2%	119.2	10.1%	47.8	+66.9%
Income taxes	(23.1)		(26.8)		(3.7)	
Net income attributable to non-controlling interests	(1.5)		(1.1)		0.4	
Net income attributable to owners of the parent	46.8	4.7%	91.3	7.7%	44.5	+95.1%

¹ Refer to p. 26 for a breakdown.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

Balance sheets

- Total assets: Goodwill, etc. recorded on acquisition of Respicardia and others, increased accounts receivable with recovery of sales
- Liabilities: Increased interest-bearing debt, increased accounts payable with higher feedstock prices
- Net assets: Increased retained earnings with recording of net income
- D/E ratio of 0.45 within targeted range of around 0.5

(¥ billion)

	At end of Mar. 2021	At end of Sep. 2021	Increase (decrease)		At end of Mar. 2021	At end of Sep. 2021	Increase (decrease)
Current assets	1,136.8	1,189.0	52.2	Liabilities	1,424.4	1,468.2	43.8
Cash and deposits	221.8	210.4	(11.4)	Current liabilities	703.2	767.6	64.4
Notes and accounts receivable– trade, and contract assets	338.6	392.4	53.8	Noncurrent liabilities	721.2	700.6	(20.7)
Inventories	481.5	484.2	2.8	Net assets	1,494.5	1,577.3	82.8
Other current assets	94.9	101.9	7.0	Shareholders' equity	1,335.9	1,412.3	76.4
Noncurrent assets	1,782.2	1,856.5	74.3	Capital stock	103.4	103.4	–
Property, plant and equipment	717.3	751.0	33.7	Capital surplus	79.6	79.6	(0.1)
Intangible assets	694.4	730.0	35.6	Retained earnings	1,158.8	1,235.3	76.5
Investments and other assets	370.5	375.4	4.9	Treasury stock	(5.9)	(6.0)	(0.1)
				Accumulated other comprehensive income	131.6	136.9	5.3
				Non-controlling interests	27.1	28.2	1.1
Total assets	2,918.9	3,045.4	126.5	Total liabilities and net assets	2,918.9	3,045.4	126.5
Goodwill	351.9	372.7	20.7				
Interest-bearing debt ¹	659.0	696.4	37.5				
D/E ratio	0.45	0.45	0.00				

¹ Excluding lease obligations.

Cash flows

- Operating: Increased income before income taxes, but decrease in cash provided as working capital such as accounts receivable increased with sales recovery
- Investing: Cash used for M&A on same level as year-ago period (Adient's automotive fabrics business in previous year, Respicardia and McDonald Jones in current year)
- Financing: Cash provided even after dividends payment due to fundraising

(¥ billion)

	H1 2020	H1 2021
a. Net cash provided by (used in) operating activities	104.6	76.7
b. Net cash provided by (used in) investing activities	(85.9)	(91.6)
c. Free cash flows [a+b]	18.7	(14.9)
d. Net cash provided by (used in) financing activities	(18.5)	6.3
e. Effect of exchange rate change on cash and cash equivalents	(0.9)	0.2
f. Net increase (decrease) in cash and cash equivalents [c+d+e]	(0.7)	(8.4)
g. Cash and cash equivalents at beginning of period	204.8	216.2
h. Increase in cash and cash equivalents resulting from changes in scope of consolidation	1.8	1.1
i. Cash and cash equivalents at end of period [f+g+h]	205.8	209.0

2. Forecast for fiscal year 2021

Consolidated operating performance forecast

- Net sales, operating income, ordinary income, and net income all forecasted to reach new record highs
- Substantial increase in net income year-on-year from reduced tax expenses due to reconfiguration of Veloxis organizations (incorporated in initial forecast)

(¥ billion, unless otherwise specified)

	FY 2020			FY 2021 ¹			Increase (decrease)	% change	FY 2021 forecast in May ¹	Increase (decrease)	% change
	H1	H2	Total a	H1	H2 forecast	Total b					
Net sales	989.4	1,116.7	2,106.1	1,181.0	1,272.0	2,453.0	346.9	+16.5%	2,375.0	78.0	+3.3%
Operating income	76.8	95.0	171.8	113.1	100.0	213.1	41.3	+24.1%	190.0	23.1	+12.2%
Ordinary income	77.5	100.6	178.0	119.2	102.8	222.0	44.0	+24.7%	196.0	26.0	+13.3%
Net income attributable to owners of the parent	46.8	33.0	79.8	91.3	94.2	185.5	105.7	+132.5%	155.0	30.5	+19.7%
¥/US\$ exchange rate (market average)	107	105	106	110	110	110	4		105	5	
¥/€ exchange rate (market average)	121	126	124	131	130	130	7		120	10	
Net income per share (EPS) (¥)			57.49			133.69					111.71
Dividends per share (¥)			34			34 (forecast)					34 (forecast)
Payout ratio (%)			59.1			25.4					30.4

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

Sales and operating income forecast by segment (vs. FY 2020)

- Compared to previous year with significant impact of COVID-19 especially in H1, considerably increased net sales and operating income forecasted

Net sales (¥ billion)

	FY 2019	FY 2020			FY 2021 ¹			Increase (decrease) b-a	% change
		H1	H2	Total a	H1	H2 forecast	Total b		
Material	1,093.1	438.4	552.9	991.2	570.3	621.7	1,192.0	200.8	+20.3%
Homes ²	704.4	338.7	353.9	692.6	398.1	425.9	824.0	131.4	+19.0%
Health Care ³	337.8	204.9	203.0	407.9	205.9	217.1	423.0	15.1	+3.7%
Others	16.3	7.5	6.8	14.3	6.7	7.3	14.0	(0.3)	-2.0%
Consolidated	2,151.6	989.4	1,116.7	2,106.1	1,181.0	1,272.0	2,453.0	346.9	+16.5%

Operating income

Material	92.4	20.8	45.6	66.5	60.7	55.0	115.7	49.2	+74.0%
Homes ²	72.7	31.7	31.9	63.5	33.3	35.9	69.3	5.7	+9.0%
Health Care ³	43.5	35.4	32.2	67.6	34.3	25.2	59.5	(8.1)	-12.0%
Others	3.2	1.7	2.1	3.8	1.4	1.4	2.8	(1.0)	-26.6%
Corporate expenses and eliminations	(34.5)	(12.9)	(16.7)	(29.6)	(16.5)	(17.5)	(34.1)	(4.5)	–
Consolidated	177.3	76.8	95.0	171.8	113.1	100.0	213.1	41.3	+24.1%

Material

Recovery of demand in each market, rapid rise in petrochemical market prices centered on H1; sales and income increase

Homes

Consolidation of Australia business, strong performance of U.S. business; sales and income increase

Health Care

Firm performance of Health Care business category, strong performance of mainstay businesses such as defibrillators but ventilator shipments declining from previous year's surge in Critical Care; sales increase but income decrease

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes segment from Q1 2021.

³ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care segment from Q1 2020.

Sales and operating income forecast by segment (vs. forecast in May)

➤ All 3 segments upward revised, especially Material, incorporating firm performance in H1

Net sales (¥ billion)

	FY 2021 forecast in May			FY 2021			Increase (decrease) b-a	% change
	H1	H2	Total a	H1	H2 forecast	Total b		
Material	556.0	612.0	1,168.0	570.3	621.7	1,192.0	24.0	+2.1%
Homes	387.0	404.0	791.0	398.1	425.9	824.0	33.0	+4.2%
Health Care	199.0	201.0	400.0	205.9	217.1	423.0	23.0	+5.7%
Others	7.0	9.0	16.0	6.7	7.3	14.0	(2.0)	-12.5%
Consolidated	1,149.0	1,226.0	2,375.0	1,181.0	1,272.0	2,453.0	78.0	+3.3%

Operating income

Material	46.5	53.5	100.0	60.7	55.0	115.7	15.7	+15.7%
Homes	30.0	37.0	67.0	33.3	35.9	69.3	2.3	+3.4%
Health Care	28.0	27.0	55.0	34.3	25.2	59.5	4.5	+8.2%
Others	1.0	1.5	2.5	1.4	1.4	2.8	0.3	+11.5%
Corporate expenses and eliminations	(17.0)	(17.5)	(34.5)	(16.5)	(17.5)	(34.1)	0.4	-
Consolidated	88.5	101.5	190.0	113.1	100.0	213.1	23.1	+12.2%

Material

Impact of reduced automobile production seen in some businesses, but petrochemical market prices above initial forecast, strong performance in H1; full-year forecast upward revised.

From H1 to H2, petrochemical market prices expected to gradually decline and feedstock prices expected to rise.

Homes

Impact of higher material prices seen, but strong performance of overseas businesses expected; initial forecast upward revised.

Health Care

Initial forecast upward revised incorporating strong performance in H1.

From H1 to H2, absence of effect from accounting treatment related to Respicardia acquisition and increased SG&A such as R&D expenses expected.



3. Appendix

Sales and operating income increase/decrease by segment

(¥ billion)

		HI 2020	HI 2021 ¹	Increase (decrease)	% change	Increase (decrease) due to:				
						Sales volume	Sales prices	of which, due to foreign exchange	Others	Accounting standard change ¹
Material	Sales	438.4	570.3	131.9	+30.1%	70.1	[2] 56.5	7.0	24.0	(18.7)
	Operating income	20.8	60.7	39.8	+191.2%	[1] 22.6			[3] (39.3)	0.0
Homes ²	Sales	338.7	398.1	59.4	+17.5%	5.8	[4] 4.3	–	41.9	7.4
	Operating income	31.7	33.3	1.6	+5.2%	(1.9)			[5] (2.6)	1.8
Health Care	Sales	204.9	205.9	1.0	+0.5%	(1.2)	(1.9)	0.5	4.3	(0.1)
	Operating income	35.4	34.3	(1.1)	-3.1%	[6] 2.9			(2.0)	(0.1)
Others	Sales	7.5	6.7	(0.7)	-9.7%	(0.7)	–	–	–	–
	Operating income	1.7	1.4	(0.3)	-19.8%	0.2			(0.6)	–
Corporate expenses and eliminations	Operating income	(12.9)	(16.5)	(3.7)	–	–	–	–	(3.7)	–
Consolidated	Sales	989.4	1,181.0	191.7	+19.4%	74.0	58.9	7.5	70.2	(11.4)
	Operating income	76.8	113.1	36.4	+47.4%	23.8			(48.1)	1.7

Major factors affecting operating income

- [1] Increased shipments of automobile-related products and apparel-related products
- [2] Increased market prices for petrochemicals with demand recovery
- [3] Higher feedstock prices
- [4] Higher average unit prices due to increased deliveries of larger order-built homes
- [5] Decreased deliveries and deterioration in product mix in condominium business of real estate
- [6] Increased shipments of defibrillators and Teribone osteoporosis drug, decreased shipments of ventilators

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021, the effect of which is shown in “Accounting standard change”.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes segment from Q1 2021.

Sales by business category

(¥ billion)

	H1 2020 a	H1 2021 ¹ b	Increase (decrease) b-a	% change	H1 2021 forecast in Aug. ¹ c	Increase (decrease) b-c	% change
Basic Materials	116.7	168.1	51.5	+44.1%	171.0	(2.9)	-1.7%
Performance Products	158.9	220.8	61.9	+39.0%	230.0	(9.2)	-4.0%
Specialty Solutions	144.6	162.8	18.2	+12.6%	166.0	(3.2)	-1.9%
Others in Material	18.2	18.6	0.3	+1.9%	18.0	0.6	+3.1%
Homes ²	314.4	375.8	61.5	+19.6%	378.0	(2.2)	-0.6%
Construction Materials	24.3	22.3	(2.0)	-8.4%	22.0	0.3	+1.4%
Health Care	74.3	85.3	11.0	+14.8%	86.0	(0.7)	-0.8%
Critical Care	130.6	120.5	(10.0)	-7.7%	120.0	0.5	+0.5%
Others	7.5	6.7	(0.7)	-9.7%	7.0	(0.3)	-4.3%
Consolidated	989.4	1,181.0	191.7	+19.4%	1,198.0	(16.9)	-1.4%

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Operating income by business category¹

(¥ billion)

	H1 2020	H1 2021 ²	Increase (decrease)	% change	H1 2021 forecast in Aug. ²	Increase (decrease)	% change
	a	b	b-a		c	b-c	
Basic Materials	0.1	22.4	22.3	–	19.0	3.4	+17.9%
Performance Products	4.8	17.2	12.4	+259.2%	19.0	(1.8)	-9.3%
Specialty Solutions	15.2	23.5	8.3	+54.4%	23.0	0.5	+2.1%
Others in Material	0.7	(2.4)	(3.2)	–	(2.0)	(0.4)	–
Homes ³	29.4	32.0	2.7	+9.0%	30.0	2.0	+6.8%
Construction Materials	2.4	1.3	(1.1)	-46.0%	1.0	0.3	+29.8%
Health Care	10.8	13.6	2.7	+25.3%	12.0	1.6	+13.0%
Critical Care	24.6	20.7	(3.8)	-15.6%	20.0	0.7	+3.7%
Others	1.7	1.4	(0.3)	-19.8%	1.0	0.4	+37.9%
Corporate expenses and eliminations	(13.0)	(16.5)	(3.6)	–	(17.0)	0.5	–
Consolidated	76.8	113.1	36.4	+47.4%	106.0	7.1	+6.7%

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Sales and operating income increase/decrease by business category¹ (i)

(¥ billion)

		H1 2020	H1 2021 ²	Increase (decrease)	% change	Increase (decrease) due to:			
						Sales volume	Sales prices	of which, due to foreign exchange	Others ²
Basic Materials	Sales	116.7	168.1	51.5	+44.1%	22.5	37.1	0.7	(8.1)
	Operating income	0.1	22.4	22.3	–	4.2			(19.0)
Performance Products	Sales	158.9	220.8	61.9	+39.0%	31.9	17.1	3.4	12.9
	Operating income	4.8	17.2	12.4	+259.2%	13.5			(18.2)
Specialty Solutions	Sales	144.6	162.8	18.2	+12.6%	13.4	2.3	2.9	2.5
	Operating income	15.2	23.5	8.3	+54.4%	4.8			1.1
Others in Material	Sales	18.2	18.6	0.3	+1.9%	2.4	–	–	(2.0)
	Operating income	0.7	(2.4)	(3.2)	–	(0.0)			(3.2)
Homes ³	Sales	314.4	375.8	61.5	+19.6%	7.0	4.4	–	50.1
	Operating income	29.4	32.0	2.7	+9.0%	(1.5)			(0.2)
Construction Materials	Sales	24.3	22.3	(2.0)	-8.4%	(1.1)	(0.1)	–	(0.8)
	Operating income	2.4	1.3	(1.1)	-46.0%	(0.4)			(0.7)

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021, the effect of which is included in “Others”.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Sales and operating income increase/decrease by business category¹ (ii)

(¥ billion)

		H1 2020	H1 2021 ²	Increase (decrease)	% change	Increase (decrease) due to:			
						Sales volume	Sales prices	of which, due to foreign exchange	Others ²
Health Care	Sales	74.3	85.3	11.0	+14.8%	9.8	(1.7)	0.0	2.9
	Operating income	10.8	13.6	2.7	+25.3%	6.8			(2.4)
Critical Care	Sales	130.6	120.5	(10.0)	-7.7%	(11.1)	(0.2)	0.5	1.2
	Operating income	24.6	20.7	(3.8)	-15.6%	(4.0)			0.3
Others	Sales	7.5	6.7	(0.7)	-9.7%	(0.7)			—
	Operating income	1.7	1.4	(0.3)	-19.8%	0.2			(0.6)
Corporate expenses and eliminations	Operating income	(13.0)	(16.5)	(3.6)	—	—	—	—	(3.6)
Consolidated	Sales	989.4	1,181.0	191.7	+19.4%	74.0	58.9	7.5	58.7
	Operating income	76.8	113.1	36.4	+47.4%	23.8			(46.3)

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021, the effect of which is included in “Others”.

Sales forecast by business category (vs. FY 2020)

(¥ billion)

	FY 2019	FY 2020			FY 2021 ¹			Increase (decrease) b-a	% change
		H1	H2	Total a	H1	H2 forecast	Total b		
Basic Materials	316.8	116.7	152.2	268.9	168.1	184.9	353.0	84.1	+31.3%
Performance Products	423.9	158.9	216.7	375.6	220.8	244.2	465.0	89.4	+23.8%
Specialty Solutions	312.5	144.6	162.6	307.2	162.8	172.2	335.0	27.8	+9.1%
Others in Material	40.0	18.2	21.4	39.6	18.6	20.4	39.0	(0.6)	-1.5%
Homes ²	649.3	314.4	330.4	644.8	375.8	400.2	776.0	131.2	+20.3%
Construction Materials	55.1	24.3	23.5	47.8	22.3	25.7	48.0	0.2	+0.4%
Health Care ³	133.3	74.3	80.1	154.4	85.3	90.7	176.0	21.6	+14.0%
Critical Care	204.5	130.6	122.9	253.5	120.5	126.5	247.0	(6.5)	-2.6%
Others	16.3	7.5	6.8	14.3	6.7	7.3	14.0	(0.3)	-2.0%
Consolidated	2,151.6	989.4	1,116.7	2,106.1	1,181.0	1,272.0	2,453.0	346.9	+16.5%

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

³ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care business category from Q1 2020.

Operating income forecast by business category¹ (vs. FY 2020)

(¥ billion)

	FY 2019	FY 2020			FY 2021 ²			Increase (decrease) b-a	% change
		H1	H2	Total a	H1	H2 forecast	Total b		
Basic Materials	26.6	0.1	13.9	14.0	22.4	17.5	39.9	25.9	+185.2%
Performance Products	33.7	4.8	13.8	18.6	17.2	21.1	38.3	19.7	+105.6%
Specialty Solutions	30.4	15.2	19.6	34.8	23.5	16.2	39.7	4.8	+13.9%
Others in Material	1.6	0.7	(1.7)	(1.0)	(2.4)	0.2	(2.2)	(1.2)	–
Homes ³	67.4	29.4	30.3	59.7	32.0	34.0	66.0	6.4	+10.7%
Construction Materials	5.6	2.4	1.3	3.7	1.3	1.9	3.2	(0.5)	-13.5%
Health Care ⁴	17.8	10.8	12.1	23.0	13.6	10.1	23.6	0.7	+2.9%
Critical Care	25.7	24.6	20.1	44.6	20.7	15.1	35.9	(8.8)	-19.7%
Others	3.2	1.7	2.1	3.8	1.4	1.4	2.8	(1.0)	-26.6%
Corporate expenses and eliminations	(34.8)	(13.0)	(16.5)	(29.5)	(16.5)	(17.5)	(34.1)	(4.6)	–
Consolidated	177.3	76.8	95.0	171.8	113.1	100.0	213.1	41.3	+24.1%

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

⁴ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care segment from Q1 2020.

Sales forecast by business category (vs. forecast in May)

(¥ billion)

	FY 2021 forecast in May			FY 2021			Increase (decrease) b-a	% change
	H1	H2	Total a	H1	H2 forecast	Total b		
Basic Materials	154.0	168.0	322.0	168.1	184.9	353.0	31.0	+9.6%
Performance Products	228.0	259.0	487.0	220.8	244.2	465.0	(22.0)	-4.5%
Specialty Solutions	157.0	167.0	324.0	162.8	172.2	335.0	11.0	+3.4%
Others in Material	17.0	18.0	35.0	18.6	20.4	39.0	4.0	+11.4%
Homes	363.0	377.0	740.0	375.8	400.2	776.0	36.0	+4.9%
Construction Materials	24.0	27.0	51.0	22.3	25.7	48.0	(3.0)	-5.8%
Health Care	87.0	86.0	173.0	85.3	90.7	176.0	3.0	+1.7%
Critical Care	112.0	115.0	227.0	120.5	126.5	247.0	20.0	+8.8%
Others	7.0	9.0	16.0	6.7	7.3	14.0	(2.0)	-12.5%
Consolidated	1,149.0	1,226.0	2,375.0	1,181.0	1,272.0	2,453.0	78.0	+3.3%

Operating income forecast by business category¹ (vs. forecast in May)

(¥ billion)

	FY 2021 forecast in May			FY 2021			Increase (decrease) b-a	% change
	H1	H2	Total a	H1	H2 forecast	Total b		
Basic Materials	12.0	15.5	27.5	22.4	17.5	39.9	12.4	+45.0%
Performance Products	17.5	21.0	38.5	17.2	21.1	38.3	(0.2)	-0.4%
Specialty Solutions	18.0	17.0	35.0	23.5	16.2	39.7	4.7	+13.4%
Others in Material	(1.0)	–	(1.0)	(2.4)	0.2	(2.2)	(1.2)	–
Homes	28.5	34.5	63.0	32.0	34.0	66.0	3.0	+4.8%
Construction Materials	1.5	2.5	4.0	1.3	1.9	3.2	(0.8)	-19.0%
Health Care	12.0	12.5	24.5	13.6	10.1	23.6	(0.9)	-3.6%
Critical Care	16.0	14.5	30.5	20.7	15.1	35.9	5.4	+17.6%
Others	1.0	1.5	2.5	1.4	1.4	2.8	0.3	+11.5%
Corporate expenses and eliminations	(17.0)	(17.5)	(34.5)	(16.5)	(17.5)	(34.1)	0.4	–
Consolidated	88.5	101.5	190.0	113.1	100.0	213.1	23.1	+12.2%

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

Overseas sales

(¥ billion)

	H1 2020			H1 2021 ¹			Increase (decrease)	% change
	Total sales	Overseas sales	% of total	Total sales	Overseas sales	% of total		
Material segment	438.4	236.2	53.9%	570.3	349.3	61.2%	113.1	+47.9%
Basic Materials	116.7	49.7	42.6%	168.1	86.2	51.2%	36.5	+73.4%
Performance Products	158.9	87.9	55.3%	220.8	147.2	66.7%	59.3	+67.5%
Specialty Solutions	144.6	97.8	67.6%	162.8	114.4	70.2%	16.6	+17.0%
Others	18.2	0.9	5.0%	18.6	1.6	8.4%	0.6	+71.7%
Homes segment	338.7	8.4	2.5%	398.1	73.1	18.4%	64.7	—
Homes ²	314.4	8.4	2.7%	375.8	73.1	19.5%	64.7	—
Construction Materials	24.3	0.0	0.0%	22.3	0.0	0.0%	(0.0)	-7.2%
Health Care segment	204.9	160.5	78.3%	205.9	156.5	76.0%	(4.0)	-2.5%
Health Care	74.3	30.9	41.6%	85.3	37.0	43.4%	6.1	+19.8%
Critical Care	130.6	129.6	99.2%	120.5	119.4	99.1%	(10.1)	-7.8%
Others	7.5	0.9	11.4%	6.7	0.7	10.8%	(0.1)	-14.8%
Total	989.4	406.0	41.0%	1,181.0	579.6	49.1%	173.6	+42.8%
Asia		178.2	18.0%		255.1	21.6%	76.8	+43.1%
of which, sales to China		90.9	9.2%		117.6	10.0%	26.7	+29.4%
The Americas		158.9	16.1%		189.6	16.1%	30.7	+19.3%
Europe		56.1	5.7%		74.5	6.3%	18.4	+32.9%
Other countries		12.7	1.3%		60.4	5.1%	47.7	—

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Extraordinary income and loss

(¥ billion)

	H1 2020	H1 2021	Increase (decrease)
Gain on sales of investment securities	1.7	6.1	4.4
Gain on sales of noncurrent assets	0.3	0.3	0.1
Gain on step acquisitions	–	1.7	1.7
Total extraordinary income	2.0	8.1	6.2
Loss on valuation of investment securities	0.0	0.0	(0.0)
Loss on disposal of noncurrent assets	3.9	2.9	(1.0)
Impairment loss	0.0	0.2	0.2
Business structure improvement expenses	4.1	5.1	1.0
Total extraordinary loss	8.0	8.2	0.2
Net extraordinary income (loss)	(6.0)	(0.0)	6.0

Primary investments by business category

(¥ billion)

	Capital expenditures			Depreciation and amortization ¹			R&D expenditures		
	FY 2020	H1	FY 2021 forecast	FY 2020	H1	FY 2021 forecast	FY 2020	H1	FY 2021 forecast
Material segment	100.5	49.9	122.0	59.0	31.3		32.8	15.4	
Basic Materials	26.2	14.5	41.0	12.7	6.1		2.8	1.2	
Performance Products	32.8	15.9	36.0	22.0	11.4		12.8	6.5	
Specialty Solutions	41.4	19.4	45.0	24.3	13.8		16.9	7.6	
Others in Material	0.0	–	–	0.0	0.0		0.4	0.1	
Homes segment	18.7	8.9	17.0	11.2	6.9		3.4	1.7	
Homes ²	15.3	7.3	14.0	8.7	5.8		2.9	1.4	
Construction Materials	3.3	1.6	3.0	2.5	1.1		0.5	0.3	
Health Care segment	15.9	14.1	24.0	31.1	16.3		39.2	21.5	
Health Care	7.7	9.7	14.0	17.0	8.9		19.2	10.7	
Critical Care	8.3	4.4	10.0	14.1	7.4		19.9	10.7	
Others	0.8	0.9	2.0	1.5	0.8		0.1	0.0	
Corporate expenses and eliminations	17.8	7.5	16.0	5.5	3.0		14.2	6.3	
Total	153.7	81.2	181.0	108.4	58.2	121.0	89.7	44.9	98.0

¹ Not including amortization of goodwill of 24.9 billion in FY 2020 and 13.7 billion in H1 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Major investments

Completed in H1 2021

Mobility

- Plastic compounds*
New 28,000 ton/y plant in Jiangsu, China, H1 2021.

Under construction at end of Sep. 2021

Mobility

- Lamous artificial suede*
4 million m²/y capacity increase in Nobeoka-shi, Miyazaki, Japan, H2 2021.

Environment & Energy

Mobility

- Lithium-ion battery separator*
Hipore – capacity increase in Moriyama-shi, Shiga, Japan, 300 million m²/y, H2 2021 and in Hyuga-shi, Miyazaki, Japan, 350 million m²/y, H1 2023;
Celgard – 150 million m²/y capacity increase in North Carolina, the U.S., FY 2021 or later.

Life Material

- Ceolus microcrystalline cellulose*
New plant in Kurashiki-shi, Okayama, Japan, H1 2023.
- Renovation of hydroelectric power plants*
Nishiusuki-gun, Miyazaki, Japan, H2 2021.

* Investment of ¥3 billion or more.

Material segment (i)

(¥ billion)

	Sales			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Material segment	438.4	570.3	131.9	+30.1%
Basic Materials	116.7	168.1	51.5	+44.1%
Performance Products	158.9	220.8	61.9	+39.0%
Specialty Solutions	144.6	162.8	18.2	+12.6%
Others	18.2	18.6	0.3	+1.9%

	Operating income ²			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Material segment	20.8	60.7	39.8	+191.2%
Basic Materials	0.1	22.4	22.3	—
Performance Products	4.8	17.2	12.4	+259.2%
Specialty Solutions	15.2	23.5	8.3	+54.4%
Others	0.7	(2.4)	(3.2)	—

Basic Materials

Operating income increase:

- (+) Inventory valuation gain by the gross average method due to increased feedstock prices
- (+) Improved terms of trade for acrylonitrile

Highlights

- July, announcement of license agreement for a technology package to manufacture high-purity ethylene carbonate and dimethyl carbonate using CO₂ as main feedstock

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

Material segment (ii)

Performance Products

Operating income increase:

- (+) Increased shipments of automobile-related products
- (+) Increased shipments of fiber products for apparel applications
- (+) Inventory valuation gain by the gross average method due to increased feedstock prices

Highlights

- August, decision to optimize the global strategy of ROICA spandex business; discontinuation of production and sales at a German subsidiary
- August, decision of discontinuation of Asaflex clear styrenic block copolymer business

Specialty Solutions

Operating income increase:

- (+) Increased shipments of each product in separator business

Highlights

- May, announcement of discontinuation of acrylic latex and photocatalyst coating businesses and closure of Wakayama Plant
- September, establishment of joint venture in China for dry-process lithium-ion battery separator by Polypore

Homes segment (i)

(¥ billion)

	Net sales			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Homes segment	338.7	398.1	59.4	+17.5%
Homes	314.4	375.8	61.5	+19.6%
Order-built homes, etc.	187.8	189.0	1.2	+0.7%
Real estate	91.0	86.0	(5.0)	-5.5%
Remodeling	25.8	26.7	1.0	+3.8%
Overseas business, etc. ²	9.8	74.0	64.3	—
Construction Materials	24.3	22.3	(2.0)	-8.4%

	Operating income ³			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Homes segment	31.7	33.3	1.6	+5.2%
Homes	29.4	32.0	2.7	+9.0%
Order-built homes, etc.	14.3	14.1	(0.2)	-1.4%
Real estate	12.4	9.6	(2.7)	-22.1%
Remodeling	2.3	2.6	0.3	+11.5%
Overseas business, etc. ²	0.4	5.7	5.3	—
Construction Materials	2.4	1.3	(1.1)	-46.0%

Operating income increase:

- (+) Higher average unit prices due to increased deliveries of larger order-built homes
- (+) Firm performance of overseas businesses (growth of U.S. business, consolidation of Australia business)
- (-) Decreased deliveries and deterioration in product mix in condominium business of real estate

Home order trend

- Year-on-year 42.0% increase in value of new orders for order-built homes with recovery from the significant impact of COVID-19

Highlights

- April, agreement to acquire controlling interest in McDonald Jones in Australia; consolidation in June
- August, announcement of forecast to achieve RE100 target ahead of schedule in 2025 by Asahi Kasei Homes

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included from Q1 2021.

³ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

Homes segment (ii)

(¥ billion, % indicates year-on-year comparison)

		Value of new orders during the term	Sales of order-built homes, etc.				Sales of real estate				Sales of remodeling	Other sales ^{2, 3}	Consolidated	Order backlog
			Unit homes	Multi-dwelling homes	Other ¹	Total	Pre-built homes	Rental housing	Other	Total				
FY17	H1	193.1 (-6.5%)	143.2	36.7	2.7	182.7	12.0	45.3	1.6	59.0	26.8	1.1	269.6	528.9
	H2	212.5 (+9.4%)	161.7	58.8	3.6	224.1	14.7	47.8	2.5	65.1	28.4	1.1	318.7	520.9
	annual	405.6 (+1.2%)	304.9	95.6	6.3	406.8	26.8	93.2	4.2	124.1	55.2	2.2	588.3	
FY18	H1	210.1 (+8.8%)	136.4	36.8	2.3	175.5	16.8	49.7	1.6	68.1	27.2	1.0	271.8	557.8
	H2	241.5 (+13.6%)	162.8	61.4	4.0	228.2	13.2	52.1	2.1	67.4	31.2	6.1	332.9	575.0
	annual	451.6 (+11.3%)	299.3	98.1	6.3	403.7	29.9	101.8	3.7	135.4	58.4	7.1	604.7	
FY19	H1	201.9 (-3.9%)	144.0	43.9	9.4	197.3	7.6	54.4	2.3	64.3	32.0	11.3	304.9	589.0
	H2	198.4 (-17.8%)	146.9	62.3	9.2	218.4	28.0	56.8	2.8	87.6	29.4	9.0	344.4	578.2
	annual	400.3 (-11.3%)	290.9	106.2	18.6	415.7	35.5	111.2	5.1	151.9	61.3	20.4	649.3	
FY20	H1	145.3 (-28.1%)	132.8	46.9	8.1	187.8	30.9	58.1	2.1	91.0	25.8	9.8	314.4	543.8
	H2	181.3 (-8.6%)	136.6	61.1	9.2	206.9	11.1	60.8	7.1	79.0	27.2	17.4	330.4	527.5
	annual	326.6 (-18.4%)	269.3	108.0	17.4	394.7	42.0	118.9	9.1	170.1	52.9	27.2	644.8	
FY21 ⁴	H1	206.3 (+42.0%)	127.4	51.0	10.6	189.0	20.5	62.5	3.1	86.0	26.7	74.0	375.8	563.5
	H2 forecast	202.0 (+11.4%)				206.5	24.0	65.0	8.4	97.5	26.8	69.5	400.2	559.2
	annual forecast	408.3 (+25.0%)				395.5	44.5	127.5	11.5	183.5	53.5	143.5	776.0	

¹ Income from maintenance service which was previously included in SG&A is included in sales beginning with FY 2019.

² Results of Erickson Framing Operations LLC and its consolidated subsidiaries are included from Q4 2018.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included from Q1 2021.

⁴ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021. Order backlog shown above remains based on the previous method.

Homes segment (iii)

H1 2021 Results

(% change from previous year)

	Orders received				Number of units delivered ²	
	(¥ billion)	(% change)	(units)	(% change)	(units)	(% change)
Unit homes	146.3	+43.6%	3,827	+26.2%	3,685	-9.8%
Multi-dwelling homes	60.0	+38.3%	3,292	+15.7%	2,995	-1.7%
Order	—	—	—	—	38	+171.4%
Order-built homes total	206.3	+42.0%	7,119	+21.1%	6,718	-6.0%

FY 2021 Forecast

(% change from previous year)

	Orders received				Number of units delivered ²	
	(¥ billion)	(% change)	(units)	(% change)	(units)	(% change)
Unit homes	287.0	+19.4%	7,880	+17.8%	7,900	-5.2%
Multi-dwelling homes	121.2	+40.7%	7,170	+33.2%	6,860	-3.6%
Order	—	—	—	—	80	+175.9%
Order-built homes total	408.3	+25.0%	15,050	+24.6%	14,840	-4.1%

¹ Presenting domestic figures only.

² Beginning with FY 2021, the accounting method for order-built homes is changed with application of the Accounting Standard for Revenue Recognition. Accordingly, former "number of units sold" is presented as "number of units delivered," which does not correspond to sales of the same period.

Health Care segment (i)

(¥ billion)

	Sales			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Health Care segment	204.9	205.9	1.0	+0.5%
Health Care	74.3	85.3	11.0	+14.8%
Critical Care	130.6	120.5	(10.0)	-7.7%

	Operating income ²			
	H1 2020	H1 2021 ¹	Increase (decrease)	% change
Health Care segment	35.4	34.3	(1.1)	-3.1%
Health Care	10.8	13.6	2.7	+25.3%
Critical Care	24.6	20.7	(3.8)	-15.6%

Operating income decrease:

- (+) Gain on accounting treatments associated with acquisition of Respicardia
- (+) Increased shipments of defibrillators
- (+) Increased shipments of Teribone osteoporosis drug
- (+) Increased shipments of Planova virus removal filters
- (-) Decreased shipments of ventilators

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

Health Care segment (ii)

Highlights

M&A and licensing-in:

- April, acquisition of Respicardia in the U.S. by ZOLL
- April, global license agreement by Veloxis for FR104, a CD28 antagonist monoclonal antibody fragment, for all transplant indications
- July, license agreement by Asahi Kasei Pharma for marketing in Japan of Plaquenil Tablets 200 mg, an immunomodulator
- September, agreement for acquisition by ZOLL of Itamar Medical Ltd., an Israeli medical device manufacturer
- September, exclusive option agreement by Asahi Kasei Pharma for commercialization in Japan of AGN1 LOEP Hip Kit

Others:

- July, decision to double production capacity for Planova BioEX virus removal filters by Asahi Kasei Medical
- August, decision to transfer manufacture and sales approval for 3 products in Ribotest series of rapid diagnostic test kits by Asahi Kasei Pharma
- September, application for approval to manufacture and sell AK1820 (isavuconazonium sulfate) in Japan by Asahi Kasei Pharma

Health Care segment (iii)

Sales of Health Care business category (¥ billion)

	FY 2020		FY 2021
	H1	Total	H1
Pharmaceuticals	37.9	81.1	44.8
Medical devices	36.4	73.3	40.6
Total	74.3	154.4	85.3

Main pharmaceuticals sales

(Sales region, monetary unit)	FY 2020		FY 2021
	H1	Total	H1
Asahi Kasei Pharma			
Teribone (Japan, ¥ billion)	14.3	31.0	18.6
Recomodulin (Japan, ¥ billion)	4.8	9.4	4.5
Kevzara (Japan, ¥ billion)	2.4	5.3	3.5
Reclast (Japan, ¥ billion)	0.6	1.3	0.6
Veloxis Pharmaceuticals			
Envarsus XR (US, \$ million)	60	122	67

Health Care segment (iv)

Main pharmaceuticals products

	Generic name	Classification	Indication	Formulation
Teribone	Teriparatide acetate	Synthetic human parathyroid hormone (PTH)	Osteoporosis with high risk of fracture	Injection
Reclast	Zoledronic acid	Osteoporosis drug	Osteoporosis	Injection
Recomodulin	Recombinant thrombomodulin alfa	Anticoagulant	Disseminated intravascular coagulation	Injection
Kevzara	Sarilumab (rDNA origin)	Interleukin-6 inhibitor	Rheumatoid arthritis not responding well to conventional treatments	Injection
Envarsus XR	Tacrolimus extended-release tablets	Immunosuppressant drug	Kidney transplantation	Tablet

Pharmaceutical pipeline

Development stage	Code name, form, generic name	Classification	Indication	Region	Origin	Remarks
Pending approval	AK1820, injection/capsule, isavuconazole	Antifungal agent	Invasive fungal infections	Japan	Licensed	
Phase II	ART-123, injection, recombinant thrombomodulin alfa	Anticoagulant	Chemotherapy-induced peripheral neuropathy (CIPN)	Japan	In-house	Additional indication
Phase II	AK1830, oral	Analgesic	Pain associated with osteoarthritis	Japan	Licensed	
Phase II			Chronic low back pain			
Pending approval (overseas)	HE-69, tablet, mizoribine	Immunosuppressant	Lupus nephritis, nephrotic syndrome	China	In-house	Additional indication
Phase III (overseas)	ART-123, injection, recombinant thrombomodulin alfa	Anticoagulant	Severe sepsis with coagulopathy	United States, Europe, etc.	In-house	

Quarterly sales

	FY 2020				FY 2021 ¹		(¥ billion)
	Q1	Q2	Q3	Q4	Q1	Q2	FY 2021 ¹
Material segment	204.7	233.7	267.2	285.6	276.8	293.5	621.7
Basic Materials	57.5	59.2	69.0	83.2	79.1	89.0	184.9
Performance Products	68.2	90.7	107.5	109.2	110.3	110.5	244.2
Specialty Solutions	70.0	74.6	80.4	82.1	78.2	84.7	172.2
Others	9.0	9.2	10.3	11.1	9.2	9.3	20.4
Homes segment	150.9	187.8	173.6	180.3	197.6	200.5	425.9
Homes ²	139.1	175.3	161.0	169.4	187.2	188.6	400.2
Construction Materials	11.9	12.5	12.6	10.9	10.4	11.9	25.7
Health Care segment	95.7	109.2	103.0	100.0	105.8	100.1	217.1
Health Care	36.5	37.8	40.7	39.4	42.8	42.6	90.7
Critical Care	59.2	71.4	62.3	60.6	63.0	57.5	126.5
Others	3.9	3.6	3.4	3.4	3.2	3.5	7.3
Consolidated	455.2	534.2	547.3	569.4	583.4	597.6	1,272.0

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Quarterly operating income¹

	FY 2020				FY 2021 ²		(¥ billion)
	Q1	Q2	Q3	Q4	Q1	Q2	FY 2021 ² H2 forecast
Material segment	8.9	12.0	21.9	23.7	32.1	28.6	55.0
Basic Materials	(1.7)	1.8	4.1	9.8	10.1	12.3	17.5
Performance Products	1.4	3.4	7.9	6.0	10.6	6.6	21.1
Specialty Solutions	7.8	7.4	10.1	9.5	12.9	10.6	16.2
Others	1.4	(0.7)	(0.1)	(1.6)	(1.5)	(0.9)	0.2
Homes segment	10.8	20.9	16.5	15.4	15.2	18.2	35.9
Homes ³	9.8	19.6	15.5	14.8	14.7	17.3	34.0
Construction Materials	1.1	1.3	1.2	0.1	0.4	0.9	1.9
Health Care segment	15.5	19.9	20.4	11.8	20.5	13.8	25.2
Health Care	5.7	5.1	8.8	3.4	7.6	5.9	10.1
Critical Care	9.8	14.8	11.7	8.4	12.9	7.8	15.1
Others	0.7	1.0	0.7	1.4	0.3	1.1	1.4
Corporate expenses and eliminations	(5.8)	(7.1)	(6.8)	(10.0)	(7.6)	(8.9)	(17.5)
Consolidated	30.1	46.7	52.7	42.3	60.5	52.6	100.0

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

Sales for FY 2019–2021

(¥ billion)

	FY 2019			FY 2020			FY 2021 ¹		
	H1	H2	Total	H1	H2	Total	H1	H2 forecast	Total
Material segment	560.2	532.9	1,093.1	438.4	552.9	991.2	570.3	621.7	1,192.0
Basic Materials	163.6	153.2	316.8	116.7	152.2	268.9	168.1	184.9	353.0
Performance Products	220.1	203.8	423.9	158.9	216.7	375.6	220.8	244.2	465.0
Specialty Solutions	156.1	156.4	312.5	144.6	162.6	307.2	162.8	172.2	335.0
Others	20.4	19.6	40.0	18.2	21.4	39.6	18.6	20.4	39.0
Homes segment	333.4	371.0	704.4	338.7	353.9	692.6	398.1	425.9	824.0
Homes ²	304.9	344.4	649.3	314.4	330.4	644.8	375.8	400.2	776.0
Construction Materials	28.6	26.6	55.1	24.3	23.5	47.8	22.3	25.7	48.0
Health Care segment	167.6	170.2	337.8	204.9	203.0	407.9	205.9	217.1	423.0
Health Care ³	70.1	63.2	133.3	74.3	80.1	154.4	85.3	90.7	176.0
Critical Care	97.5	107.0	204.5	130.6	122.9	253.5	120.5	126.5	247.0
Others	7.4	8.9	16.3	7.5	6.8	14.3	6.7	7.3	14.0
Consolidated	1,068.6	1,083.0	2,151.6	989.4	1,116.7	2,106.1	1,181.0	1,272.0	2,453.0

¹ The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

² Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

³ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care business category from Q1 2020.

Operating income for FY 2019–2021

(¥ billion)

	FY 2019			FY 2020			FY 2021 ²		
	H1	H2	Total	H1	H2	Total	H1	H2 forecast	Total
Material segment	56.9	35.5	92.4	20.8	45.6	66.5	60.7	55.0	115.7
Basic Materials	20.1	6.5	26.6	0.1	13.9	14.0	22.4	17.5	39.9
Performance Products	20.7	13.1	33.7	4.8	13.8	18.6	17.2	21.1	38.3
Specialty Solutions	14.9	15.5	30.4	15.2	19.6	34.8	23.5	16.2	39.7
Others	1.2	0.5	1.6	0.7	(1.7)	(1.0)	(2.4)	0.2	(2.2)
Homes segment	32.7	40.0	72.7	31.7	31.9	63.5	33.3	35.9	69.3
Homes ³	30.1	37.3	67.4	29.4	30.3	59.7	32.0	34.0	66.0
Construction Materials	2.7	2.9	5.6	2.4	1.3	3.7	1.3	1.9	3.2
Health Care segment	25.9	17.6	43.5	35.4	32.2	67.6	34.3	25.2	59.5
Health Care ⁴	14.0	3.8	17.8	10.8	12.1	23.0	13.6	10.1	23.6
Critical Care	11.9	13.8	25.7	24.6	20.1	44.6	20.7	15.1	35.9
Others	1.1	2.1	3.2	1.7	2.1	3.8	1.4	1.4	2.8
Corporate expenses and eliminations	(14.9)	(19.6)	(34.5)	(12.9)	(16.7)	(29.6)	(16.5)	(17.5)	(34.1)
Consolidated	101.7	75.6	177.3	76.8	95.0	171.8	113.1	100.0	213.1

¹ Figures for operating income by business category include intrasegment transactions which are eliminated from the segment totals.

² The Accounting Standard for Revenue Recognition is applied beginning with FY 2021.

³ Results of Australian company McDonald Jones Homes Pty Ltd and its consolidated subsidiaries are included in the Homes business category from Q1 2021.

⁴ Results of U.S. company Veloxis Pharmaceuticals, Inc. are included in the Health Care segment from Q1 2020.

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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.”

