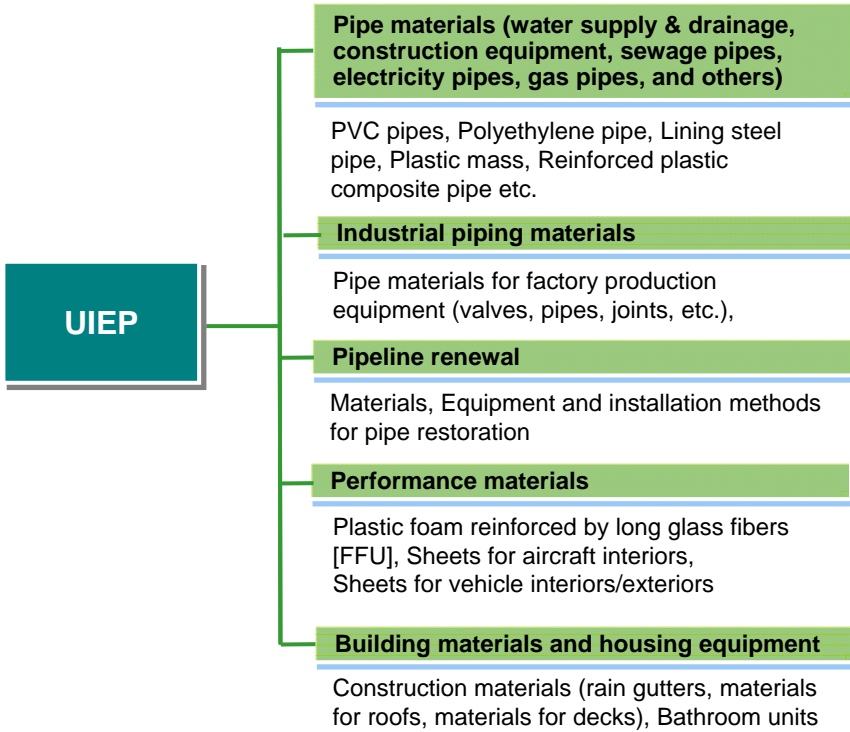


# Urban Infrastructure & Environment Products Company (UIEP)

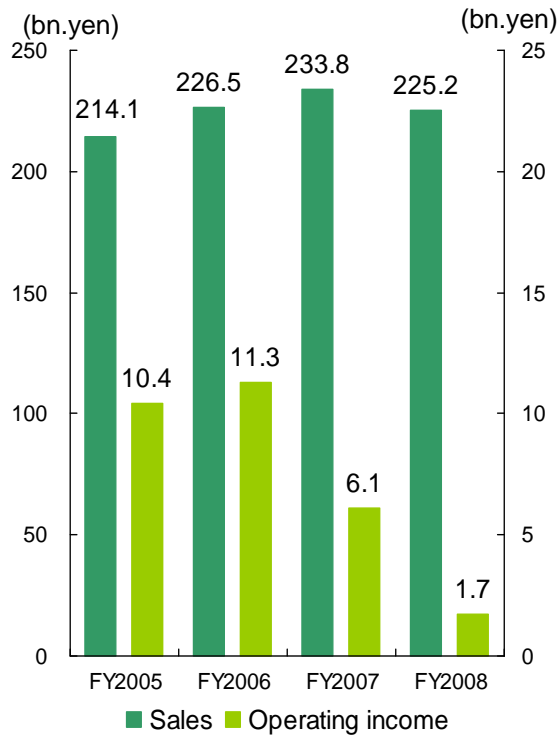
## The Prominence of the Urban Infrastructure & Environmental Products Company

- Domestic maker brand power
- Business development prowess that allows new businesses (ex. pipeline renewal) to grow out of our core businesses
- Overall strength (differentiating technology, capital strength, human resources needed for global expansion, etc.) in our water infrastructure business, where opportunities for global expansion are great

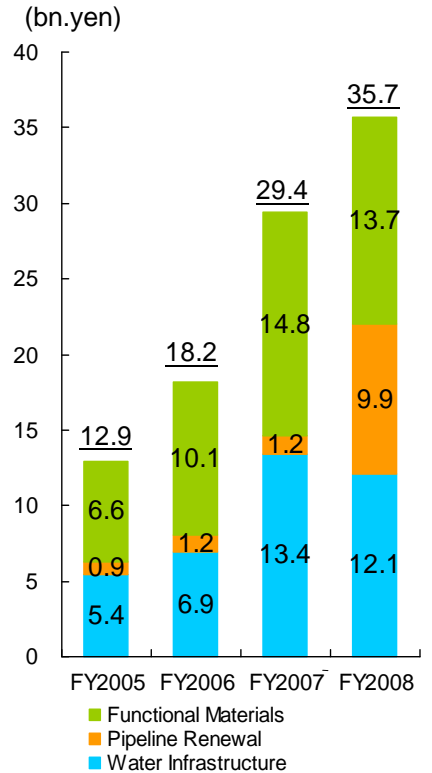
## Primary Business Areas



## Sales & Operating Income



## Overseas Sales



## Domestic Brand Power

Sekisui maintains a strong brand power and is a global leader in the PVC piping market. We are restructuring the PVC piping business by establishing new foundations for growth and revenue in “growth frontiers” to raise our overall strength and to enhance the profit structure of our domestic operation.

## Fortifying the Domestic Revenue Structure

- Top-ranked brand power in Japan, ‘Eslon ® pipe’
- Reorganization of the industry

We are allied with Mitsubishi Plastics

Kubota and C.E. Kasei are launching the new company, Kubota C.I.

Industry Split

- Structural reform progress
- Responding to high material costs

We raised product prices in March 2004, October 2004, October 2005, July 2006,

\*July 2007, April 2008, September 2008

## Business Restructuring



## Expanding the “Frontiers of Growth” in Japan

- Prioritizing of growth businesses and growth product lines
- Accelerating development and launch of large-scale new products

Fire-resistant pipe

Phenovaboard

Rain gutter reinforced by super stretched sheet

- Exploring and establishing new businesses

PFI Business

Stock Business

Rainwater treatment business

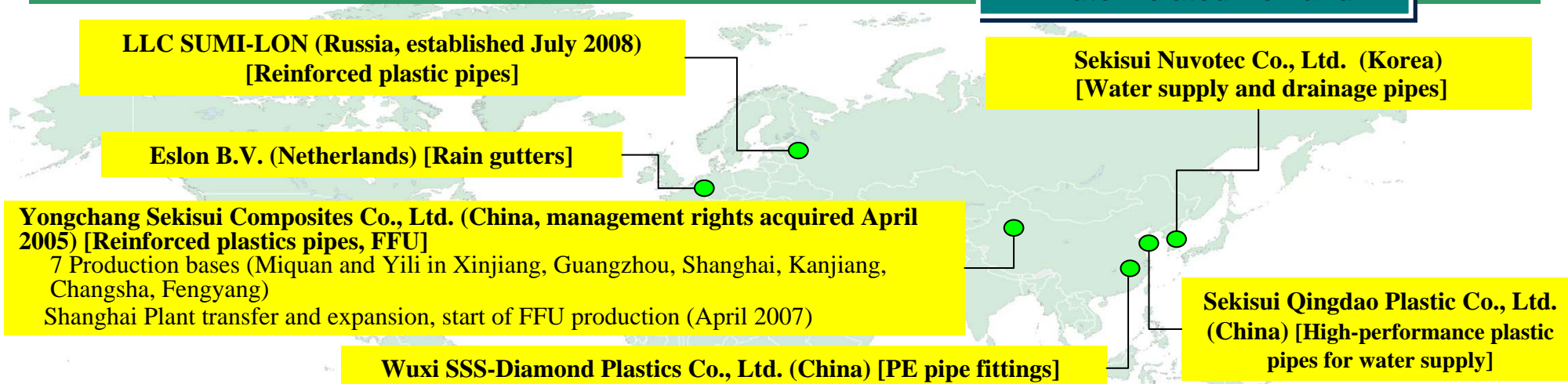
## Using Our Comprehensive Technical Strength to Create Demand

Our combined strengths (differentiating technology, capital, human resources needed for global expansion, etc.) in our water infrastructure business position us to advance where opportunities for global expansion are great.

We are globalizing the water environment infrastructure business and are currently preparing business development strategies focused on China. Water environment demand has been rapidly growing worldwide in recent years along with expanding needs for plastic piping with superior corrosion resistance and durability.

### Globalization of the Water Environment Infrastructure Business

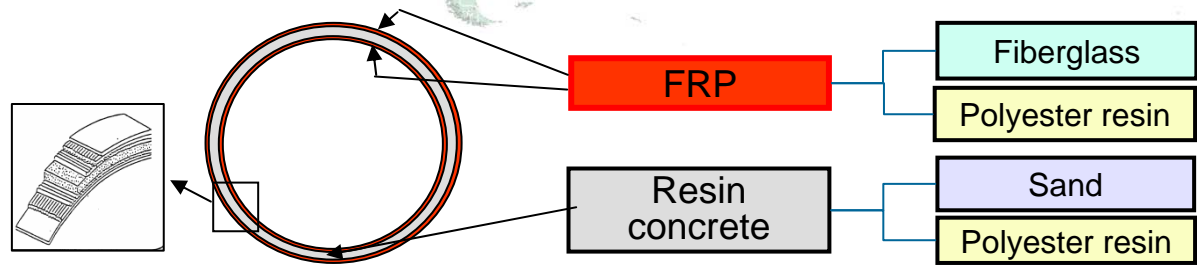
### Rapid Worldwide Growth in Water-related Demand



Domestic and agricultural water Shortages (distribution infrastructure) → Long distance, high pressure distribution

Salt damage, desalination → Anti-corrosive plastic pipe

### Reinforced Plastic Pipe



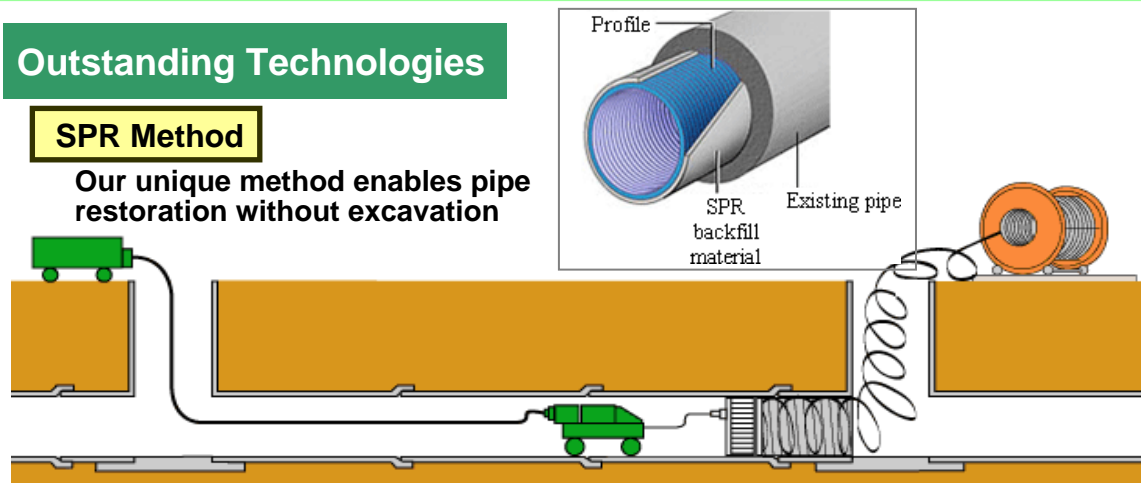
### Our prowess in business development promotes new business creation (ex. pipe restoration) from our core businesses

Sekisui's pipeline renewal business extends the life of existing infrastructure by covering the inside of aging water pipes with hardened PVC in a helical structure. Our SPR pipeline renewal method allows the work to be completed without excavation, greatly shortening construction time while generating less waste. The pipeline renewal business utilizes the technological prowess of our materials, gained in our core business, and the knowledge accumulated in our water infrastructure business over many years.

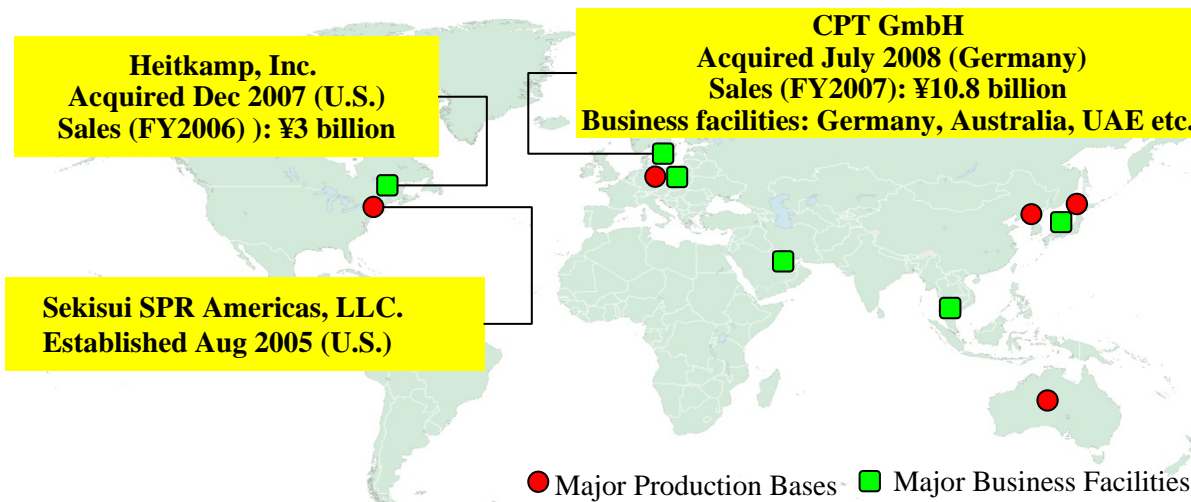
### Outstanding Technologies

#### SPR Method

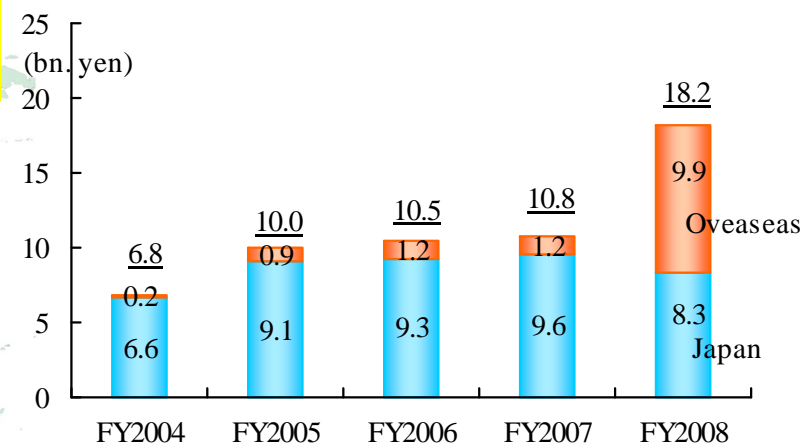
Our unique method enables pipe restoration without excavation



### Establishing a Worldwide Business Network



### Pipeline Renewal Business Sales



**General strength (differentiating technology, capital strength, human resources needed for global expansion, etc.) in our functional materials business, where opportunities for global expansion are great**

In our overseas businesses, we are aggressively promoting expansion strategies and seeking M&A opportunities in areas where we can employ our differentiating technologies. In March 2006, we gained control of Taiwanese valve maker Sanideng. In June 2007, we renamed the company Sekisui Industrial Piping and increased capacity at a new plant. In PVC sheets for molding, in the U.S., we changed the name of Kleerdex to KYDEX and aim to enhance its competitiveness and achieve sustainable growth. In ABS sheets for molding, we acquired Allen Extruders of the U.S. in April 2007. Through these initiatives, we are aiming to increase sales to IT related sectors (semiconductors, LCD panels, etc.) and the aircraft sector.

**Accelerated Global Expansion with High Function Products**

1. Acquired management rights for Sanideng, a producer of valves in Taiwan (March 2006)  
 \*We have changed the company name from “*Sekisui Sanideng*” to “*Sekisui Industrial Piping*”  
 Expanded capacity at a new plant (June 2007)
2. Changed the name of the U.S. company Kleerdex to KYDEX (January 2009)
3. Acquired Allen Extruders company, producer of “ABS sheet for forming” (April 2007)

**Piping Materials for Plant and Equipment**

(valves, pipes, fittings, etc.)

**Piping materials for ultra-pure water (clean pipes, flow sensors)**

**Plates for clean rooms**



Piping materials



Plates for clean rooms

**Performance Materials**

(plates, sheet)

**Plates for aircraft**

**Sheet for automotive interior/ exterior**

PVC sheet for forming  
 (Application Example)



Interior material for aircrafts

ABS sheet for forming  
 (Application Example)



Outer cover for heavy machinery

**Sales increased to the IT-related (semiconductor, LCD panel, etc.) and Aircraft Industries**