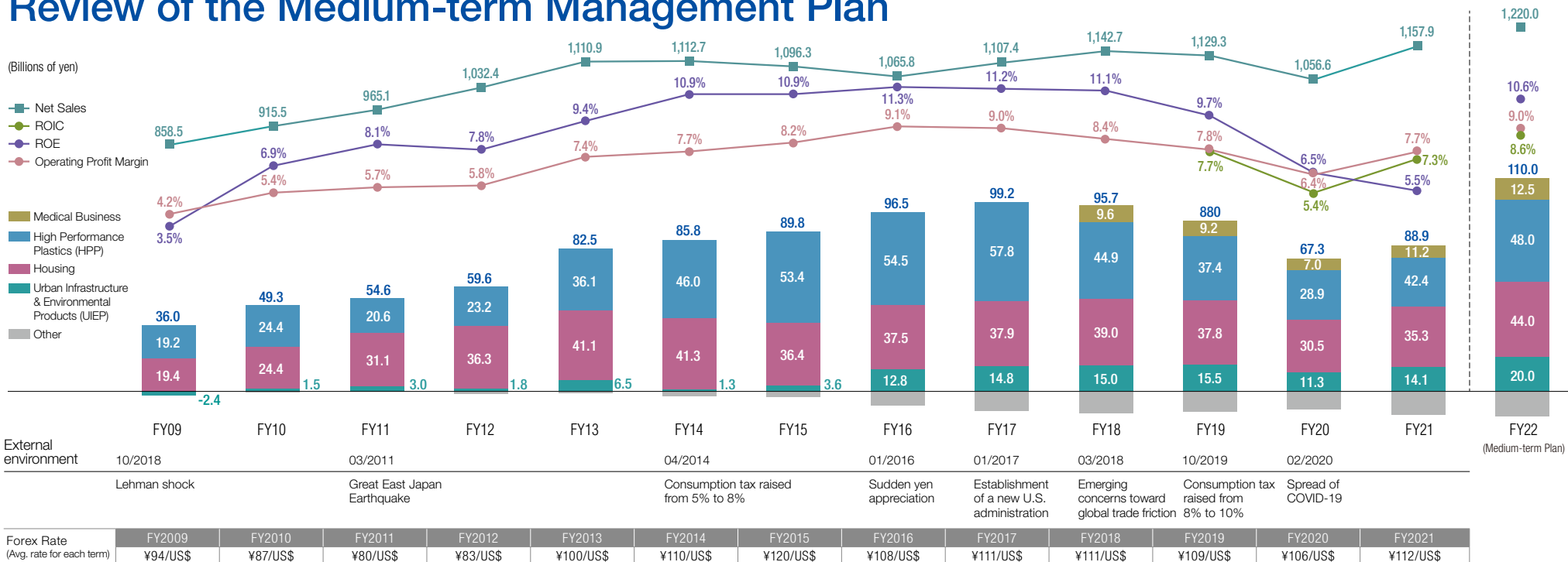


# Review of the Medium-term Management Plan



## GS-21-SHINKA! (FY2009–2013)

### Measures and Results

We strengthened the earnings power of the core domestic businesses. We have been actively developing our global business presence. Over the period of the Plan, we have transformed our CSR management and raised the level of revenue gained from Environment-Contributing Products.

### Challenges

- Opening up frontier domains [see next column]
- Overseas business adapting to local society

## SHINKA!-Advance 2016 (FY2014–2016)

### Measures and Results

By specializing in strategic businesses and products and implementing structural reforms we were able to achieve growth in profit. We pioneered new markets and new fields through internal and external alliances. Over the period of the Plan, we commenced penetration of CSR management, initiated efforts to enhance governance, and established the Nomination and Remuneration Advisory Committee, etc.

### Challenges

- Return to sales growth
- Commercialization and building of frontier domains
- CSR management rollout and further penetration among employees

## SHIFT 2019 -Fusion- (FY2017–2019)

### Measures and Results

Fusion accelerated over the period of the Plan under review, during which we targeted a balance between quantitative and qualitative growth. We made aggressive investments to achieve growth, and net sales attributable to M&As rose. Strengthening ESG initiatives aimed at building a sustainable business base, we continuously earned high evaluations from GLOBAL100 and others.

### Challenges

- Delays in securing returns on growth investments
- The speed of structural reform
- Strengthening ESG management

## Drive 2022 (FY2020–2022)

### Measures

Structural reforms: We aim to increase Group-wide operating profit margin to the 10% level. We aim to improve capital efficiency and introduced ROIC as a KPI.

### About SEKISUI AEROSPACE CORPORATION

Although we acquired this company in fiscal 2019 for approximately US\$500 million, we posted an impairment loss in September 2021 due to poor aircraft demand as a result of the prolonged COVID-19 pandemic.

## Major Past M&As

**July 2009**  
Acquired the PVA resin business from Celanese Corporation

**January 2011**  
Acquired the diagnostic reagents business from Genzyme Corporation

**December 2012**  
Acquired the piping business from Mitsubishi Plastics, Inc.

**December 2015**  
Acquired EIDIA Co., Ltd.

**October 2017**  
Capital investment in Tien Phong Plastic JSC

**August 2017**  
Acquired management rights to Polymatech Japan Co., Ltd.

**December 2018**  
Acquired Veredes Laboratories Pte. Ltd.

**December 2017**  
Acquired SoflanWiz Co., Ltd.

**November 2019**  
Acquired AIM Aerospace, Inc.