## **Business strategy**

## Overview by segment

Films

In the industrial film business, sales of polarizer protective films for LCDs increased significantly, while sales of mold releasing film for multilayer ceramic capacitors (MLCC) struggled as a full-fledged recovery in demand failed to materialize, affected by inventory adjustments. In the packaging film business, while we worked on product price revisions, we faced increased challenges due to soaring raw material and fuel prices, delays in demand recovery, and the start-up costs for new production equipment.



37.8%

Consolidated net sales

Net sales and operating profit (Ybn)

Main applications

Examples of products



Net sales 156 5 Operating profit 2.7

 Industrial films Packaging films







In the biotechnology business, demand for reagents for PCR testing declined significantly. In the medical products business, sales of artificial kidney hollow fibers performed strongly. In the contract manufacturing business of pharmaceuticals, profitability improved due to a decrease in costs for responding to good manufacturing practices (GMP), including manufacturing and quality control standards for pharmaceuticals, following the lifting of the Warning Letter by the U.S. Food and Drug Administration (FDA).



Net sales 346

Operating profit

4.4

- Bio-related products
- Cosmetic ingredients
- Medical separation membranes and modules
- Medical equipment
- Pharmaceutical-related products





**Environmental** and Functional Materials



In the resin and chemicals business, engineering plastics sales increased with the recovery in automobile production. Sales of industrial adhesives declined for electronic materials applications in the Chinese market. In the environment and fiber business, sales of VOC recovery equipment used in the manufacturing process for lithium-ion battery separators increased. In the high-performance fibers business, sales for fishing line applications were weak. Nonwoven materials were affected by both reduced sales for hygiene products and civil engineering and building materials, as well as soaring raw material and fuel prices.



Net sales 115.3

Operating profit

4.7

- Adhesion and coating agents
- Engineering plastics
- Elastomers
- Seawater desalination membranes and modules
- Environmental solution equipment and filters
- High-performance fibers
- Lifestyle materials





**Functional Textiles** and Trading



In the textile business, profitability improved due to progress in price pass-throughs, in addition to reforms of business structure such as the consolidation of production bases in Japan and discontinuing unprofitable products. In the airbag fabric business, profitability also improved because of product price revisions and increased sales volume with the recovery of automobile production.



Net sales 95.7

Operating profit

**A1.0** 

- Airbag fabrics and yarn
- Sports, inner wear, uniforms, and other apparel



