



New Year's Message

Happy New Year! As we greet 2017, I would like to extend my greetings to our stakeholders.

Having celebrated the first anniversary of our second century of operations in 2016, Denka Company Limited established “The Denka Value” to make a fresh start toward a new growth stage. Specifically, we adopted “Taking on the challenge of expanding the possibilities of chemistry to create new value and contribute to sound social development” as the Denka Mission while drawing up the Denka Principles, a set of precepts to guide the actions of all Group employees in realizing this mission. Together, the mission and principles comprise “The Denka Value,” which, by defining our essential value, serves as a cornerstone anchoring our business foundation. We are determined to remain true to this value as we strive toward further corporate growth. Moreover, we will endeavor to strengthen corporate governance to ensure management transparency and soundness, both of which are key to maintaining society’s respect and trust. Actively promoting information disclosure and dialogue with stakeholders, we will thus enhance our corporate value.

In November 2016, Denka made downward revisions in its fiscal 2016 operating results forecasts. Although we have been striving to create a business structure that is resilient to such external factors as foreign exchange rates and raw material prices, we have a long way to go. To transform our business portfolio, we are focusing on our areas of specialty so that we may deliver greater value to our customers. In particular, we are nurturing new businesses related to healthcare, a field boasting considerable growth potential. In addition to harnessing our technological strengths for “diagnosis” and “prevention,” we are now working to develop new cancer treatment drugs and launch cancer gene mutation tests and information service.

Furthermore, we are striving to meet demand for products supporting cutting-edge eco-friendly vehicles and autonomous driving systems by employing our core technologies for LiB, thermally conductive and other relevant materials. In this way, we will create new businesses in the automotive field.

Meanwhile, in accordance with the Paris Agreement, which came into effect in autumn 2016, the Japanese government and business sector have been called upon to step up their initiatives to preserve the global environment. As part of an international community of chemical manufacturers, who have worked hard to secure the environment- and people-friendliness and safety of chemical products throughout their life cycles, Denka is committed to contributing to the well-being of people, the preservation of the environment and the sustainable development of society. Executing thoroughgoing initiatives to eliminate danger at our worksite, we place the utmost priority on manufacturing safety.

Lastly, Denka believes that the future will hinge on the success of employees’ diligent efforts to achieve both the Company’s and their own professional and personal goals. With this in mind, we are promoting across-the-board process reforms, focusing our resources on what matters most while reducing redundancies. This initiative is also expected to help employees strike an optimal work-life balance by changing the way we work. To reflect diverse value systems and ways of thinking in our business operations, we will foster a corporate culture in which everyone can freely and openly exchange their opinions. In these ways, we will achieve sustainable corporate development.

January 1, 2017
Shinsuke Yoshitaka
President, Denka Company Limited