

Management Plan “Mission 2030”

“Mission 2030” is our new management plan that aims to help us achieve Denka’s vision by 2030. With Business Value Creation, Human Resources Value Creation, and Management Value Creation as the three growth strategies, we set targets and KPIs based on the important management issues (materiality) ▶P15-16 and are working to improve the corporation's value. In Business Value Creation, we aim to turn all Denka businesses to “Three-star businesses” equipped with Specialty, Megatrends, and Sustainability.

MISSION

By 2030, we will increase the value of our human resources and management, and we will focus on creating business value that combines the three elements of specialty, megatrends, and sustainability.

FY2023 initiatives

In FY2023, the first fiscal year of Management Plan “Mission 2030”, we were not successful to achieve sales increase to reasonably balance the cost for the strategic investment and other expenses planned in the previous “Denka Value-Up” management plan, due to various factors such as the decline in demand for chloroprene rubber, in addition to changes in the economic environment, including the prolonged decline in demand for semiconductors, slow-down in China's economic growth, and global inflation. Despite of some extraordinary income from sales of cross-shareholdings, we are facing unsatisfactory results, partially because of the aftermath of 2024 Noto Earthquake and impairment loss from abortion of norovirus vaccine development.

After FY2024, new production equipment to which we made forward looking investments will be in operation, and there is no change in our strategy to drive three growth strategies. By proceeding with three initiatives (portfolio transformation, review of the investment plans, and the Best Practice Project) to get back to the growth path based on the management plan targets, we will get the profit level back to the growth path in FY2025.

01

Business portfolio shift

▶P28

02

Review of the Investment Plans

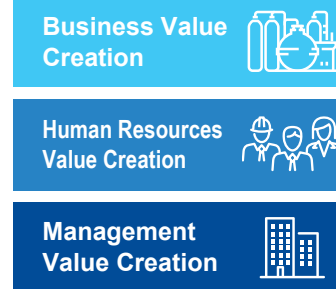
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03

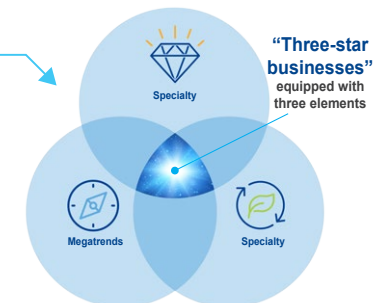
Best Practices Project

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<Three growth strategies>

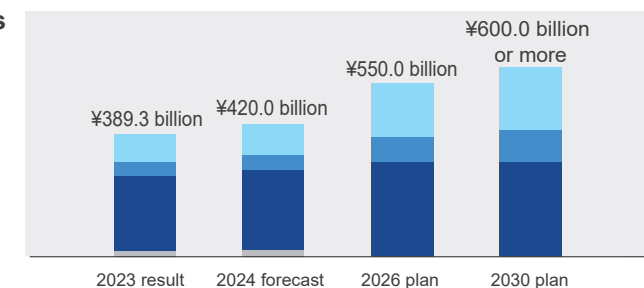


<Three Elements of Business Value Creation>



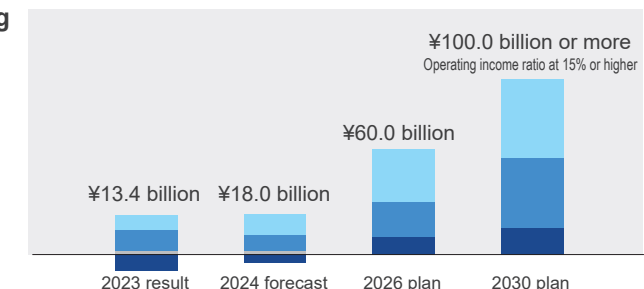
Net sales

■ ICT & Energy
■ Healthcare
■ Sustainable Living
■ Other



Operating income

■ ICT & Energy
■ Healthcare
■ Sustainable Living
■ Other



Financial index

	FY2023 Results	FY2024 forecast	FY2030 KPI
Operating income ratio	3.4%	4.3%	15% or higher
ROE	4.0%	2.9%	15% or higher
ROIC	2.5%	3.0%	10% or higher
Investment settlement amount	¥116.7 billion	¥42.0 billion	8 years from FY2023 to FY2030: ¥540 billion