



POSITIONED FOR GROWTH

Annual Report 2013

Tosoh Corporation and consolidated subsidiaries
Fiscal year ended March 31, 2013



TOSOH CORPORATION

Values based on monozukuri—“a craftsman-like approach” to product detail and quality—have shaped Tosoh’s destiny and growth for more than 75 years. We take pride in having established a resilient global enterprise whose products and services are woven into the fabric of modern life.

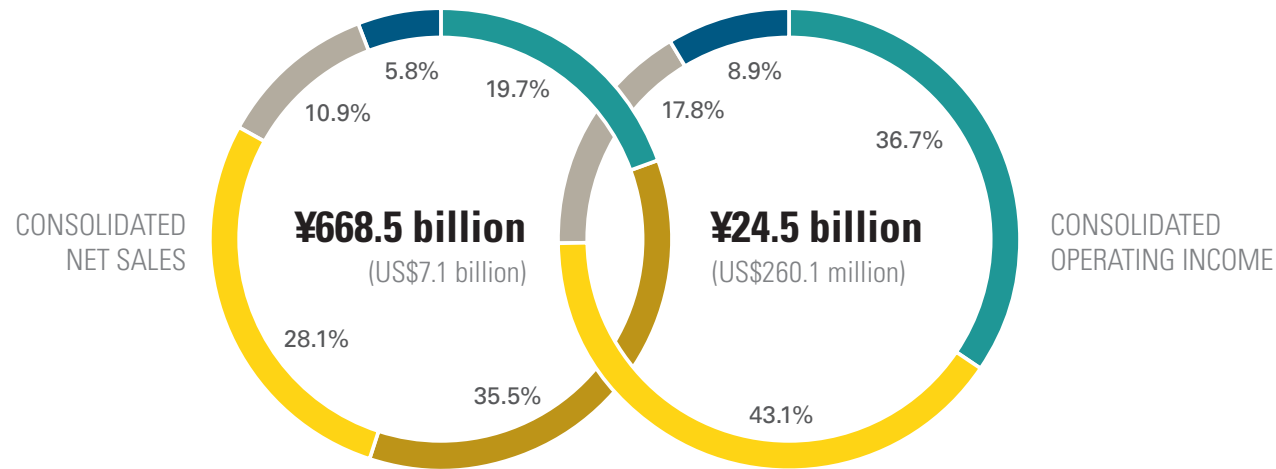
Tosoh Corporation is a Japanese chemical company established in 1935 and listed on the First Section of the Tokyo Stock Exchange. It is the parent of the Tosoh Group, which comprises 132 companies worldwide and a multiethnic workforce of over 11,000 people and generated net sales of ¥668.5 billion in fiscal 2013, ended March 31, 2013.



TOSOH

At a Glance

Tosoh invites you to glimpse what it achieved through the chemistry of innovation in fiscal 2013.



Note: The Chlor-alkali Group posted an operating loss in fiscal 2013 and is therefore not included above.

SPECIALTY

Organic Chemicals, Bioscience, Advanced Materials

Strongly positioned and highly profitable products in well-established and growing markets

CHLOR-ALKALI

Basic Chemicals, Cement, Methylene Diphenyl Diisocyanate

Commodities from one of Asia's largest fully integrated commodity chemical manufacturers

PETROCHEMICAL

Olefins, Polymers

Traditional and high-performance and specialty products for a wide range of industries

ENGINEERING

Water Treatment

Environmental-related services, including water treatment and soil purification and remediation, and construction

OTHER

Analytical Services, Logistics, IT, Personnel Management

Services, mainly for Tosoh Group companies, that enhance efficiency and improve interactions with customers

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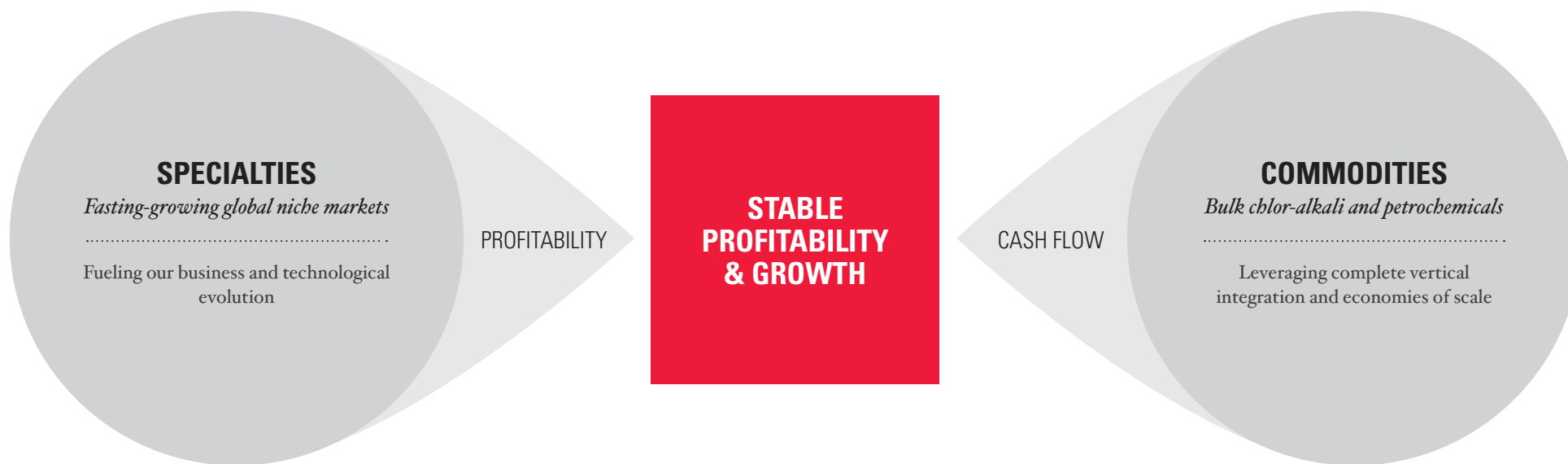
Financial Highlights for Fiscal Year 2013

Harsh business conditions throughout most of the fiscal year under review notwithstanding, a strong fourth quarter supported a solid performance.

	2012	2013	Percentage change
	Millions of Yen		
NET SALES	687,131	668,494	2.7% ▼
	Millions of Yen		
OPERATING INCOME	23,737	24,464	31.1% ▲
	Millions of Yen		
NET INCOME	9,379	16,867	79.8% ▲
	Millions of Yen		
FREE CASH FLOW	37,740	12,628	66.6% ▼
	Yen		
NET INCOME PER SHARE	15.67	28.17	79.8% ▲
	Yen		
DIVIDENDS PER SHARE	6	6	0%

Our Dual Commodities and Specialties Strategy

Our emphasis is to boost the contribution of the Specialty Group to improve our profitability and to keep us positioned for growth.

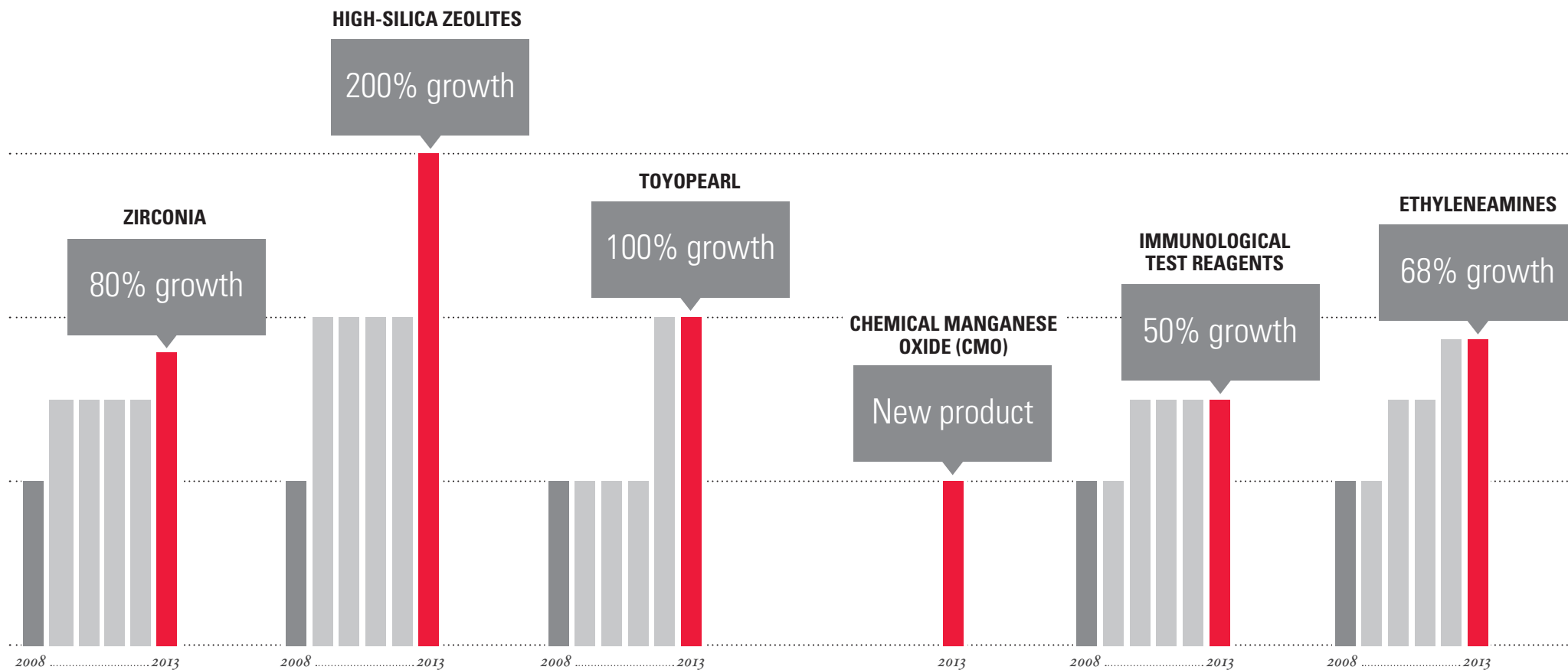


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Tosoh has designed a strategy to counteract the cyclicality of its chemicals business. By developing specialty products for niche markets, we provide ourselves with a buffer against downturns in the markets for our core commodities. The niche markets for our specialty products offer us the advantages of competitive superiority and of substantially higher profit margins. Commodities provide most of our cash flow, while specialties supply most of our profit.

Well Positioned in High-Growth Markets

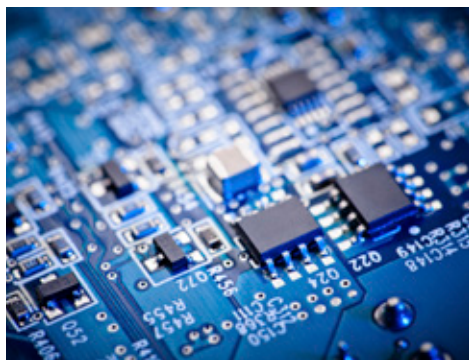
As part of its specialties business strategy, Tosoh has carefully positioned itself in and developed potential high-growth markets.



Note: Graphs indicate the percentage growth in Tosoh's production capacity since 2008

Positioning for the Future with the Products of Tomorrow

Our R&D programs support our specialties business strategy by focusing on materials and manufacturing technologies on the cutting edge of some of the fastest-evolving industries in the world.



ELECTRONIC MATERIALS

Supplying materials and technologies that enable the electronics industry to progress and evolve

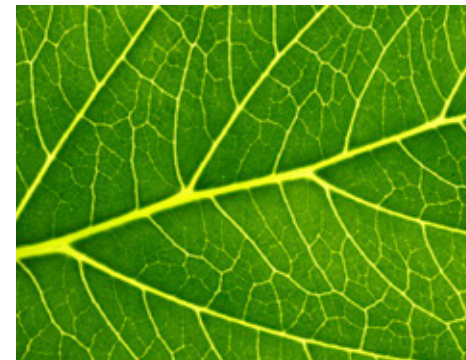
- Electron hole transport materials for organic light-emitting diode (OLED) displays
- Heat-resistant resin substrates and wiring materials for flexible displays
- Chemical vapor deposition materials for next-generation semiconductors
- High-performance film materials for liquid crystal displays (LCDs)



BIOSCIENCE

Providing developed and developing economies with access to high-end diagnostics and biopharmaceutical technologies

- Advancements in separation media for antibody drugs
- Immunoassay reagents
- Genetic testing reagents
- Early-stage cancer testing technology



ENVIRONMENT & ENERGY

Devising next-generation materials and technologies to meet public opinion- and regulatory-driven shifts in the chemical industry

- Manganese oxide for rechargeable lithium-ion batteries (LIB) in automobiles
- High-silica zeolites (HSZ®) for processing automobile emissions using catalytic converters
- High-performance ethylene vinyl acetate (EVA) sealing film for solar cells
- Chelates for removing heavy metals from incinerator ash, wastewater, and soil



TOSOH

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